# Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper | R | London, Tuesday, October 28, 1997 | No. 35,663


TODAY: STYLE African Design Page 11

# Dow's 554-Point Plunge Suspends U.S. Trading; Hong Kong Sell-Off Alarms Markets Worldwide

## Britain Postpones Single Currency Entry 4 or 5 Years

### *Ultimate Participation Seen As 'Beneficial' if Euro Works*

By Tom Buerkle
*International Herald Tribune*

LONDON — The government of Prime Minister Tony Blair announced Monday that it would not enter Europe's single currency in the next four or five years, but would aim to join soon after and believed that membership would help the country economically.

"In principle, we believe British participation in a successful single currency would be beneficial to Britain and to Europe," Gordon Brown, the chancellor of the Exchequer, said in a statement to the House of Commons.

The policy statement marked the clearest endorsement a senior British politician has ever given to the single-currency project. It followed a month of speculation, mostly inspired by mixed signals from Mr. Brown and his ministerial colleagues, that had the government first leaning toward, then against, early membership in economic and monetary union.

The new line from the Labour government cleared some of the recent muddle, but it failed to satisfy many voices on either side of Britain's sharply divided political class. By postponing the ultimate decision on entry until after the next general election, which must be held by May 2002, Mr. Blair has raised the likelihood that the election will be fought over the single currency, or euro.

The opposition Conservative Party, which decided this month to oppose British entry into monetary union for as long as 10 years, accused Mr. Brown of ignoring the constraints that membership of a single currency could impose on Britain's economic sovereignty.

"Up to now, there has not been a currency without a government to run it, or a government worthy of the name without a currency," said Peter Lilley, the Conservative spokesman for treasury affairs.

The Liberal Democratic Party, which is closely allied with Labour on many policies, criticized the government for failing to embrace the euro with more enthusiasm by setting a clearer timetable for entry. Malcolm Bruce, the party's spokesman for treasury affairs, said the government was afraid of being attacked by powerful media opponents of monetary union, including newspapers published by Rupert Murdoch. Mr. Murdoch's flagship title, The Times, urged Mr. Brown to stand firm against the euro in an editorial on Monday under the headline, "No Means No."

In financial markets, meanwhile, investors dumped British government bonds and bid up the level of the

See BRITAIN, Page 10

François Mori/The Associated Press

**Traders at the Paris stock exchange reacting as the index dropped sharply Monday. Markets across Europe and on Wall Street posted huge declines in the wake of the turmoil in Asia.**

## Asian Collapse: Day's Doings

• **Why the collapse of Asian markets?** Maybe historians will find it's neither the Jewish conspiracy suggested by Prime Minister Mahathir of Malaysia nor the Communist takeover of Hong Kong, as suggested by Senator Al D'Amato, but just old-fashioned hubris. **Page 10.**

• **The South Korean won slid** to a record low against the dollar and stocks fell to their lowest level in five years after the government tried but failed to soothe investors spooked by the turmoil sweeping Asian financial markets. **Page 17.**

• **Indonesia** and a team led by the International Monetary Fund resumed negotiations to finalize a multibillion-dollar support package that officials say could be crucial in restoring financial stability in Indonesia and the wider Southeast Asian region. **Page 13.**

**Asian Equity Markets** *Main stock indexes*

| | % change last week | % change Monday | % change year to date |
|---|---|---|---|
| Hong Kong | | | |
| Kuala Lumpur | | +0.14 | |
| Singapore | | +0.13 | |
| Manila | | +0.52 | |
| Bangkok | | | |
| Jakarta | | | |
| Sydney | | | +2.16 |
| Seoul | | | |
| Tokyo | | | |

*Source: Bloomberg* IHT

## Steep Drop In Asia Felt From Africa To Mexico

By Philip Segal
*Special to the Herald Tribune*

HONG KONG — The Hong Kong stock market resumed its steep tumble Monday, dragging down share prices and bond markets around the world as the waves from Southeast Asia's currency turmoil washed ashore from Europe and Africa to the United States and Latin America.

Emerging markets were particularly hard hit as investors fled the perceived threat of contagion from Asia's economic downturn and financial problems. Share prices in Canada and South Africa made their steepest plunges in a decade. Stocks in Brazil fell more than 14 percent in late trading — the biggest fall in five years — and in Argentina they took their hardest hit of the year.

All the major European markets shed more than 2.5 percent in value, with Spain suffering a plunge of 4.3 percent.

In Hong Kong, share prices fell 5.8 percent, their fourth big decline in five days, amid growing speculation that Hong Kong would be forced to devalue its currency as other Asian nations have done.

Hong Kong authorities once again vowed to defend the currency. Finance Secretary Donald Tsang said, "The only people who will be burned by speculation against the Hong Kong dollar are the speculators."

But economists said that there were indications that capital flight from Hong Kong might have already begun, a result of a growing fear that the territory's currency might come unstuck from its peg to the U.S. dollar.

Amid renewed pledges by the government that the peg would survive, the benchmark Hang Seng Index fell 646.14 points, to 10,498.20, giving back nearly all the gains made in Friday's 718-point rise. The index is down 22 percent so far this year, and has fallen 37 percent from its Aug. 7 peak of 16,673.27.

Traders said they suspected the heavy wave of share buy-backs by Hong Kong companies continued from Friday, but was not enough to counteract what one called an "East versus West" tussle in the market: foreign investors hurriedly unloading big batches of stock, often to local investors and government institutions intent on bolstering share prices.

As Hong Kong battled to contain its own currency crisis, traders nervous over bad debts at South Korean banks drove the won down by 1.5 percent, to 939.7 to the dollar, an event that could provoke further falls in Taiwan's dollar. Taiwan and South Korea are competitors in exports of electronics and other products, so a fall in the won makes Korean goods cheaper relative to those from Taiwan.

See HONG KONG, Page 10

## Historic Halt On Wall St. As Market Loses 7.2%

By Mitchell Martin
*International Herald Tribune*

NEW YORK — U.S. stock trading was halted twice Monday after the Dow Jones industrial average recorded its largest point loss ever as the collapse in Asian equity markets spread fear to investors around the world.

The New York Stock Exchange imposed its circuit-breaking trading halts for the first time. The rules were put into effect after the 1987 stock-market collapse. Trading was halted for half an hour after the Dow fell 350 points, and the market closed about half an hour early when the blue-chip gauge crossed the 550-point threshold.

For the day, the Dow fell 554.26 points, to 7,161.15. Although that outstripped the 508-point-loss on Oct. 19, 1987, the Black Monday collapse was far more significant in percentage terms: 22.6 percent, compared with 7.2 percent on Monday.

Michael McCurry, the spokesman for President Bill Clinton, described Monday's drop as "a bare fraction of major breathtaking drops in the past" and no reason for panic.

"The president has watched and noted the developments of the day," he said. "The president is confident the fundamentals of the American economy are strong. That's what matters most."

The loss brought the Dow 13.3 percent below its record high of 8,259.31, set on Aug. 6.

New York's losses were far less severe than those recorded in the rest of the Western Hemisphere. Brazil was the biggest loser, with the Bovespa index down 15.0 percent. The key indexes in Mexico, where trading also was halted, and Argentina were more than 13 percent lower.

Investors deserting stock markets put their money into bonds, with short-term maturities drawing heavy buying. Significantly, two-year U.S. Treasury notes were yielding just 5.55 percent, down from 5.74 percent on Friday. Federal

See DOW, Page 14

**The Dollar**

| New York | Monday @ 4 P.M. | previous close |
|---|---|---|
| DM | 1.7515 | 1.777 |
| Pound | 1.6635 | 1.6335 |
| Yen | 121.775 | 121.945 |
| FF | 5.8915 | 5.9545 |

**The Dow**

| | Monday close | previous close |
|---|---|---|
| -554.26 | 7161.15 | 7715.41 |

**S&P 500**

| change | Monday @ 4 P.M. | previous close |
|---|---|---|
| -64.65 | 876.99 | 941.64 |

## *U.S. Probes Sale of IBMs To Russia*

By Jeff Gerth and Michael R. Gordon
*New York Times Service*

Defying the United States, a Russian nuclear-weapons laboratory secretly acquired 16 advanced IBM computers late last year, using Moscow-based middlemen to evade U.S. export rules, Russian and U.S. officials say.

A federal grand jury in Washington is examining IBM's role, U.S. officials and executives say, to determine whether the company or its representatives violated laws governing the sale of computers to nuclear-weapons installations.

U.S. officials and the executives say technicians working for International Business Machines installed computers at the laboratory in Arzamas-16, a closed city where Russia designed its hydrogen bomb. The clandestine transaction came after IBM had failed to gain federal approval for a sale of similar computers to the lab.

A reconstruction of the case by The New York Times, based on interviews with participants in Russia and the United States, as well as secret correspondence between the two countries, shows that the Russian purchase grew out of a diplomatic misunderstanding

See COMPUTERS, Page 10

**Newsstand Prices**

| | | | |
|---|---|---|---|
| Bahrain | 1.000 BD | Malta | 55 c |
| Cyprus | C £ 1.00 | Nigeria | 12500 Naira |
| Denmark | 14.00 DKr | Oman | 1.250 OR |
| Finland | 12.00 FM | Qatar | 10.00 QR |
| Gibraltar | £ 0.85 | Rep. Ireland | IR £ 1.00 |
| Great Britain | £ 0.90 | Saudi Arabia | 10 SR |
| Egypt | £E 5.50 | S. Africa | R12 + VAT |
| Jordan | 1.250 JD | U.A.E. | 10.00 Dh |
| Kenya | K. SH. 160 | U.S. Mil. (Eur.) | $ 1.20 |
| Kuwait | 700 Fils | Zimbabwe | Zim.$30.00 |

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## AGENDA

Marc Serota/Reuters

**JOY IN MIAMI — The Florida Marlins mobbing Edgar Renteria after his single in the 11th inning drove home the winning run and gave the five-year-old Miami franchise the World Series title. The Marlins defeated the Cleveland Indians, 3-2, in Game 7. Page 27.**


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*THE REMAKING OF ROMANIA*

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*U.S. Deficit Withers*

ASIA/PACIFIC Page 4.
*Sihanouk's 'Unhappy Country'*


### Argentines Hand Peronists a Setback

Argentina's Peronist party suffered a stinging defeat in elections for the lower house of Congress. After a campaign largely fought on the issue of government corruption, President Carlos Saul Menem's Peronists lost their majority in the house, winning only 36.2 percent of the vote. An opposition group formed from leftist and center-right parties received 45.7 percent. The vote also appeared to be a reflection of public restlessness with certain negative effects of the Peronists' free-market economic measures. Page 10.

### It's a Rolls-Royce, And Now It's for Sale

Rolls-Royce Motor Cars, a British emblem of quality craftsmanship and the last major luxury carmaker to remain independent of one of the large automobile manufacturers, was put up for sale Monday. Vickers, its parent, said it was disposing of the subsidiary to concentrate its core business of armored vehicle and propulsion-technology products. Page 13.

## *Chinese Leader Goes For a Swim (and More)*

By Seth Faison
*New York Times Service*

HONOLULU — President Jiang Zemin of China surprised many strollers on Waikiki Beach by turning up unexpectedly for a swim.

Many beachgoers were naturally curious what famous person required an entourage of 17 bodyguards just to go in the ocean, and others stopped to watch the buzz of attention his aides created late Sunday afternoon when their boss emerged from the water.

Yet in China, Mr. Jiang's swim will be of even more interest, especially when word spreads that Mr. Jiang, 71, did the breaststroke for a full hour. China is the audience, in all likelihood, to whom Mr. Jiang wanted to show his physical prowess before he left Honolulu on Monday for Langley Air Force Base in Hampton, Virginia.

In recent months, concern spread in China that Mr. Jiang was suffering from heart trouble.

At the Hong Kong handover ceremony on July 1, Mr. Jiang looked so pale and pasty that rumor spread that he had actually suffered a minor heart attack on his flight there. Yet China's leaders are so secretive about their personal lives that it was impossible to know.

So the sudden appearance, with the handy complement of reporters from China's state-run news media in tow, was of extra interest.

Donning a pair of black swim goggles and a pink and white bathing cap, Mr. Jiang looked like a race car driver when he ventured into the ocean.

He needed help balancing himself as he walked through the surf, taking the arms of a bodyguard on each side, but once he was swimming he appeared to need no further help.

Mr. Jiang swam and swam and swam, his head bobbing all the way underwater with each stroke he took.

Swimming, in Chinese politics, has an illustrious history.

Mao and Deng each carefully chose the political moment when they took a well-publicized swim to show everyone exactly how robust they were.

See SWIM, Page 4

## *In Deng's Footsteps, Jiang Treads His Own Path*

By Steven Mufson
*Washington Post Service*

BEIJING — President Jiang Zemin is about to complete what a senior U.S. diplomat here calls "the triple crown" of Chinese politics.

Having hoisted the Chinese flag over the former British colony of Hong Kong and solidified his leadership position at China's Communist Party congress, he has now has started a six-city U.S. tour to be highlighted by a White House state dinner.

This is Mr. Jiang's moment. Long overshadowed by his political patron, Deng Xiaoping, Mr. Jiang often has been underestimated and written off as an interim leader. Now, eight years after Mr. Deng picked him for the party leadership and eight months after Mr. Deng's death, Mr. Jiang looks more secure than ever as he faces perhaps the toughest test yet of his confidence and abilities.

This was a test that Mr. Deng passed with flying colors when he barnstormed across the United States 18 years ago, charming members of Congress, chatting comfortably with television interviewers and donning a 10-gallon hat at a Texas rodeo. In doing so, Mr. Deng sent a message to America, where China was still a relative mystery, and to China, recently torn by the Cultural Revolution, that his country was under new management and on a new, pragmatic path.

**NEWS ANALYSIS**

Mr. Jiang's mission is in many ways similar: to demonstrate his leadership and China's re-emergence as a world power while securing U.S. cooperation for the next stage of China's economic restructuring.

"The ceremonial part is more important than the substantive part," an influential Chinese foreign policy specialist said.

"It will create the impression here that the government here is accepted by the United States."

Mr. Jiang's task is tougher than Mr. Deng's was in 1979.

Mr. Jiang cannot point to the Soviet threat to persuade the United States of China's strategic importance.

And unlike Mr. Deng, who did not have to answer human rights questions, Mr. Jiang must deal with the legacy of Beijing's bloody 1989 crackdown on democracy demonstrators in Tiananmen Square.

See JIANG, Page 4

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*Praying for Precipitation* / **Clouds in the Silver Lining**

# *Nagano's Nightmare: A No-Snow Olympics*

By Nicholas D. Kristof
*New York Times Service*

NAGANO, Japan — What if they held a Winter Olympics, and it never snowed? When the 1998 Olympic Games open in the Japanese Alps in February, will ice hockey become field hockey? Snowboarding become surfing? Alpine skiing become water-skiing?

Those are the nightmares here. Japan's Meteorological Agency offered a long-range forecast this month and concluded that because of El Nino's warm ocean currents, the weather this winter will be warmer and drier than normal.

The forecast hit a raw nerve in Nagano, which is the southernmost city ever to be chosen as host the Winter Olympic Games and has been promising skeptics ever since that there really will be snow by the time the Games open.

In fact, it seems almost certain that there will be plenty of snow in the places that really count, in the mountains outside Nagano where the skiing events will be held, but officials are busy preparing emergency plans.

"We're going to go to the shrine on New Year's Day and pray for snow," quipped Ko Yamaguchi, the press director for the Olympics.

Mr. Yamaguchi acknowledged that the Nagano Olympic Organizing Committee had worked out its contingency plans just in case the nightmare came to pass. Snow-making machines will spew out snow on the courses, and the army will truck snow in from nearby mountains.

Japan's penchant for worrying and contingency planning seems to be serving the Olympics in good stead in the final months before the Games open. Japan is about the least happy-go-lucky country in the world, and Japanese have a habit of seeing a cloud in any silver lining. But the result is that they are much less likely than Americans to be caught in a shower without an umbrella.

These days, the people of Nagano are fretting with characteristic grimness, brooding about whether foreigners will tolerate Japanese-style squat toilets, will like soba noodles or will be able to tell which door leads to the men's public bath and which to the women's. A result is a rush to put up signs, install seat toilets and do whatever else will make foreigners feel like honored guests.

"I feel so responsible," Akemi Maruyama murmured as she sat in the entrance of the traditional Japanese inn, or ryokan, that she runs with her husband. The Maruyamas hardly ever get foreign guests at their inn, but during the Olympics they will be putting up the Swedish team, and that has left them profoundly anxious.

"If the athletes' performance is disrupted by the differences in life styles, then we'll just feel terrible," Mrs. Maruyama said. As a result, the Maruyamas are working with the Swedish Embassy in Tokyo to bring in a Swedish chef for the duration of the games, and they are thinking about buying hot plates so that they can keep food out for athletes who want to eat at odd hours.

"It may be a burden for us to buy hot plates, but we want to offer the athletes the very best," said her husband, Takehiko Maruyama.

The Maruyamas are also outfitting rooms with beds for the Swedish athletes. As a result, the Swedes can sleep as they are used to, instead of on a futon on the floor.

The family is also thinking about other steps it needs to take. "Maybe it'd best to put up a sign explaining that they should scrub first, before entering the public bath," Mr. Maruyama mused, reflecting on Japanese bathing etiquette. "And we should have a sign explaining that you should not get into the bath with your bathing suit."

Some new signs, in English, may be necessary to avoid misunderstandings at the entrances to restrooms and the ubiquitous public baths in the area. In one inn, the entrance to the men's and women's baths are marked "Lords" and "Ladies" in elegant Chinese characters that would look alike to most Western visitors.

While there is some mixed bathing in Japan, it is on the wane, and Japanese bathers might steam as much as the baths if a team of confused American athletes stormed into the wrong dressing room.

Despite a huge shortage of rooms in Nagano during the Olympics, the inns and hotels seem not to be charging higher-than-usual prices. Moreover, about 680 local families will be opening their homes to the families of foreign athletes in a home-stay program.

"When I was 24 years old I went to Denver, and everybody was so kind and generous to me," recalled Tomoyuki Hirabayashi, 50, a plumber. "They let me stay in their homes, so I decided to open my home as well."

THIS is an unusual step in Japan, where overnight houseguests are rare and even inviting people over for dinner is much less common than in the West. "My wife is very Japanese," Mr. Hirabayashi added, as his wife, Miyoko, cringed meekly beside him. "So she was afraid. Japanese feel very fearful about letting strangers into their homes."

Mrs. Hirabayashi acknowledged that she had been against the idea at first, but she said it was not so much fear of crooks as apprehension that she would not be a good hostess.

That seems to be a common worry, and it may be why fewer people have signed up for the home-stay program than had been expected.

The police are making similar preparations, forced to plan for everything from snarled traffic to hit men pursuing North Korean defectors.

A few fugitives from Aum Shinrikyo, the cult that dispersed nerve gas in the Tokyo subway system in 1995, are still on the loose, so the police are also planning for countermeasures against bombings and poison gas.

"We can't say that there's no possibility of an Aum attack," said Katsuhiko Miura, a senior police official in Nagano, but he and everyone else seem to think that is very unlikely.

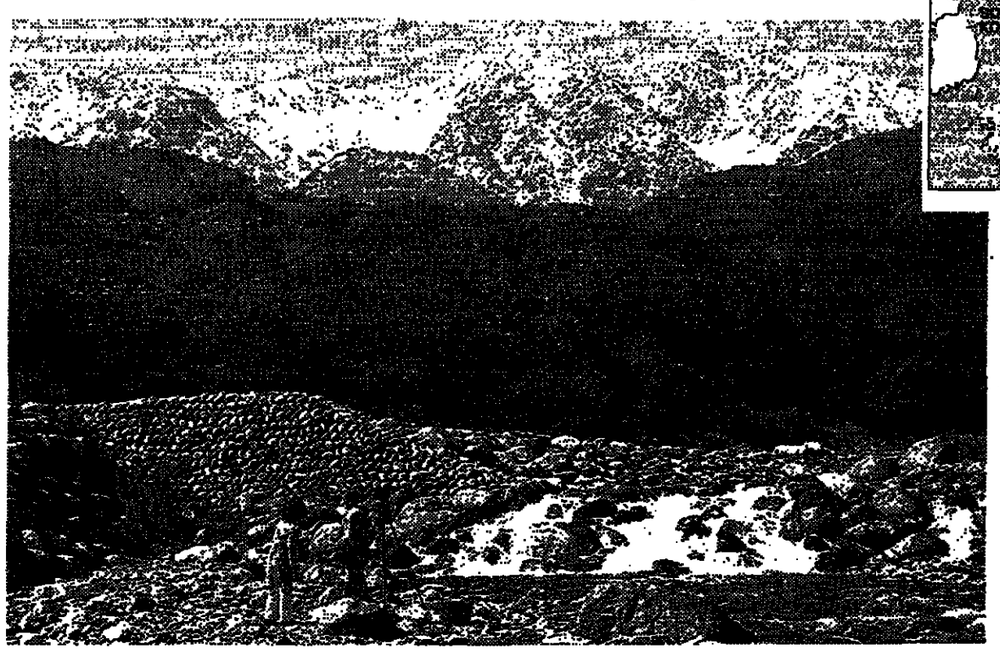
A more likely problem is what to do with people who ask the police for money.

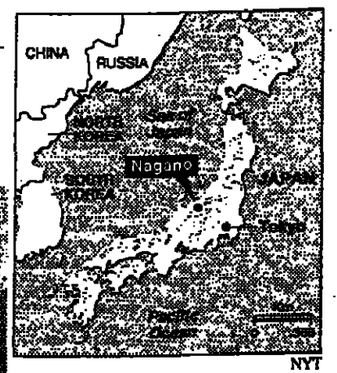
In Japan, the easiest people to steal money from are the police, because anyone can go up to a police box and claim to be broke and ask for $10 or $20 to get home. No identification is necessary, because the assumption is that the borrower may have lost a wallet, but the money is almost always returned.

So what will happen if foreigners start asking for these loans?

"If people are in trouble, we're ready to lend them some money, Mr. Miura said.

"But if the money never returns, it's a big shame to us. So we'll have to ask about their situation first."






NYT

*Akemi and Takehiko Maruyama, shown at a stream near their inn, will put up the Swedish team when the Winter Games begin in February. The people of Nagano are fretting, hoping to provide a welcome that is found warm enough.*

Nicholas D. Kristof/The New York Times

# Early Storm Kills at least 11 in U.S. and Strands Many

*Compiled by Our Staff From Dispatches*

OMAHA, Nebraska — The first big storm of the season killed at least 11 people and left tens of thousands without power and hundreds of miles of roads closed from Colorado to Illinois.

The storm began Friday in Utah and moved swiftly across the Plains states Saturday and Sunday. Hundreds of people were stranded in airports, bus terminals and on highways as wind-whipped snow dropped visibility to zero and created drifts 15 feet (4.5 meters) high.

Things were still slow Monday at Denver International Airport, where airlines had trimmed flights and check-in lines were three hours long. Delays also were reported at airports in Chicago and Des Moines.

The storm was deadliest in eastern Colorado. Four people were found dead in stranded cars, three from the cold and another from carbon monoxide poisoning. An 11-year-old boy in tiny Stratton, near the Kansas line, died after becoming lost in the snow after sledding. Three died in Nebraska, and one each in Illinois, Iowa and Oklahoma.

Most major roads were open Monday in Colorado, but hundreds of abandoned vehicles were scattered on highway shoulders. National Guardsmen used helicopters, snowmobiles and all-terrain vehicles to rescue stranded motorists or residents from homes without power.

"We've flown, patrolled and reopened the highways and don't believe we have any remaining missing motorists," said David Holm of the Colorado Office of Emergency Management.

A few hunters were missing and searches were to resume.

After leaving 22 inches (55 centimeters) of snow in Denver, the storm churned east into Michigan by Sunday night. At least 40,000 people lost power in the Chicago area, while at its peak 150,000 were without power in eastern Nebraska.

In Iowa, 19,000 were without power late Sunday.

October is usually the driest month for Colorado, but on Sunday two feet of fluffy snow covered Halloween pumpkins on front porches along the Front Range, the state's most populous region. *(AP, NYT)*

## Air Couriers Face Stricter Rules

*New York Times Service*

WASHINGTON — The Transportation Department has announced a review of controls over baggage shipped via air-courier services after an incident earlier this month in which pesticide shipped as passenger baggage leaked aboard a jet.

The department announced the review Friday, two days after federal agents in Miami raided an American Airlines office in their investigation of the pesticide case.

The department said that for the next few weeks it would "perform intensive oversight inspections of accompanied commercial air courier shipments." In such shipments, couriers hired by freight companies travel on commercial airlines, checking cargo as passenger baggage. The department will check that courier services are declaring and documenting all shipments and that shippers are "properly packaging, marking, labeling and documenting all hazardous materials."

On Oct. 1, a courier in Miami checked 10 bags of pesticide, rewrapped to conceal the warning labels, aboard an American Airlines flight to Ecuador. One bag broke open as it was being loaded into the cargo hold of the Boeing 757 and released toxic fumes. Another plane continued the flight.

Peter G. Cabrinis
Forex & Futures Specialist

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| *Hong Kong* | 800967209 | *Israel* | 1771800102 | *Italy* | 1678755928 |
| *Japan* | 0031126609 | *Korea* | 0038110243 | *Luxembourg* | 08004552 |
| *Mexico* | 95800784178 | *Netherlands* | 080220657 | *N. Zealand* | 08004411880 |
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## TRAVEL UPDATE

### *Lufthansa Resumes Beirut Flights*

BEIRUT (AFP) — Lufthansa German Airlines resumed flights to Beirut on Monday after a 14-year suspension of activities because of Lebanon's civil war, which started in 1975, airport officials said.

The flight Monday carried 74 passengers, including an official German delegation. The airline will operate three weekly flights between Beirut and Frankfurt.

### *Dutch Group Fights Airport Plan*

THE HAGUE (AP) — Twenty-five environmental activists occupied the headquarters of the Dutch Transportation Ministry on Monday to protest the expansion of the Amsterdam airport.

Protesters of a group known as Environmental Defense chained themselves inside the ministry, demanding that the government scrap plans for a fifth runway at Schiphol International Airport. The police were on the scene, but there were no reports of violence.

**Japan Air System has announced that it will join** with KLM Royal Dutch Airlines in operations between Japan and Europe. The two have agreed to cooperate in ticket sales, a frequent-flyer program and code sharing. *(AFP)*

## Corrections

Because of an editing error, an article in the Monday issue about the enlargement of the European Union attributed the wrong quote to the Italian foreign minister, Lamberto Dini. He said that Turkey would become a member of the Union.

An article on Futurism in the Oct. 25 Special Report on Arts and Antiques erroneously stated, because of an editing error, that Mussolini died in 1944. Filippo Tommaso Marinetti, the movement's founder, died that year. Mussolini died in 1945.

## WEATHER

Forecast for Wednesday through Friday, as provided by AccuWeather.

Jetstream · Unseasonably Cold · Unseasonably Mild · Heavy Rain · Heavy Snow

**North America**
Sunny and pleasant across all of the eastern U.S. Wednesday and Thursday, but it may shower in New England Friday. Sunny, warm and dry in the West, but there will be some showers in the Northwest Wednesday and Thursday. Cool with showers likely across the northern Plains.

**Europe**
Cold with flurries in St. Petersburg Wednesday, but dry and not as cold across western Russia by Friday. Turning milder across Scandinavia and northwestern Europe, but southeastern Europe into Ukraine will remain cold and dry. Cloudy with rain in southern Italy and Greece.

**Asia**
Windy and cold with snow in Manchria, while Korea and most of Northeastern China, including Beijing and Seoul, will be dry and chilly with some sunshine. Cool in Tokyo; it can shower at any time. Soaking rain will reach from near Taiwan inland across southeastern China to eastern Tibet.

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hot, W-Weather.

All maps, forecasts and data provided by AccuWeather, Inc. © 1997

**Europe**

| | Today High | Today Low/W | Tomorrow High | Tomorrow Low/W |
|---|---|---|---|---|
| | C/F | C/F | C/F | C/F |
| Algarve | 21/70 | 12/53 pc | 21/70 | 14/57 pc |
| Amsterdam | 8/43 | 1/34 s | 8/46 | 3/37 c |
| Ankara | 12/53 | 2/35 pc | 14/57 | 3/37 pc |
| Athens | 18/64 | 12/53 pc | 19/64 | 14/57 r |
| Barcelona | 15/59 | 9/48 r | 12/53 | 5/41 pc |
| Belgrade | 2/35 | -6/18 pc | 2/35 | -7/20 pc |
| Berlin | 2/35 | -1/31 pc | 5/41 | 1/34 c |
| Brussels | 6/43 | -1/31 s | 8/46 | 3/37 pc |
| Budapest | 1/34 | -7/20 s | 2/37 | -3/27 pc |
| Copenhagen | 6/41 | 4/39 r | 8/46 | 4/39 sh |
| Costa Del Sol | 21/70 | 12/53 pc | 21/70 | 13/55 pc |
| Dublin | 13/55 | 7/44 pc | 13/55 | 8/46 s |
| Edinburgh | 11/52 | 4/39 pc | 12/53 | 6/43 pc |
| Florence | 8/43 | -3/27 s | 6/43 | -1/31 pc |
| Frankfurt | 1/34 | -1/31 pc | 4/39 | 2/35 sn |
| Geneva | 5/41 | -6/22 pc | 7/44 | -1/31 s |
| Helsinki | -1/31 | -3/27 sn | 1/34 | -1/31 c |
| Istanbul | 13/53 | 9/48 sh | 11/52 | 5/48 r |
| Nice | -3/27 | -9/16 pc | -1/31 | -4/25 pc |
| Las Palmas | 25/77 | 19/66 s | 24/75 | 19/66 pc |
| Lisbon | 19/66 | 11/52 pc | 18/64 | 13/55 pc |
| London | 11/52 | 3/37 s | 14/57 | 9/48 s |
| Madrid | 18/64 | 10/50 r | 17/62 | 8/46 r |
| Mallorca | 19/66 | 13/55 r | 16/61 | 8/43 pc |
| Milan | 3/37 | -6/22 pc | 7/44 | -1/31 s |
| Moscow | -6/22 | -9/16 c | -4/25 | -10/14 sn |
| Munich | 2/29 | -10/15 s | 1/34 | -4/25 sn |
| Nice | 8/46 | 0/32 c | 9/48 | 4/39 s |
| Oslo | 4/39 | 2/35 c | 7/44 | 6/41 pc |
| Paris | 7/44 | 0/32 s | 11/52 | 5/41 pc |
| Prague | -2/29 | -7/20 pc | 0/32 | -2/29 sn |
| Reykjavik | 11/52 | 9/48 r | 10/50 | 5/41 r |
| Riga | -1/31 | -1/31 sl | 4/39 | 1/34 sn |
| Rome | 12/53 | 0/32 s | 9/48 | 1/34 s |
| St. Petersburg | -2/29 | -6/22 sn | -3/27 | -6/22 pc |
| Stockholm | 2/35 | 1/34 c | 7/44 | 3/37 c |
| Strasbourg | 4/39 | -4/25 s | 6/43 | -1/31 c |
| Tallinn | 0/32 | -1/31 sn | 2/35 | 1/34 c |
| Tbilisi | 18/64 | 8/46 r | 20/68 | 10/50 c |
| Venice | 3/37 | -7/20 s | 6/43 | -1/31 pc |
| Vienna | 1/31 | -6/18 s | 4/39 | -3/27 c |
| Warsaw | -1/31 | -4/25 pc | 2/35 | -2/29 c |
| Zurich | 3/37 | -6/22 s | 6/43 | -1/31 pc |

**Middle East**

| | | | | |
|---|---|---|---|---|
| Abu Dhabi | 30/91 | 22/71 s | 31/88 | 22/71 sh |
| Beirut | 24/75 | 17/62 pc | 24/75 | 18/64 pc |
| Cairo | 29/84 | 18/64 pc | 32/89 | 17/62 s |
| Damascus | 27/80 | 9/48 s | 28/73 | 11/52 pc |
| Jerusalem | 24/75 | 11/52 pc | 24/75 | 13/55 s |
| Luxor | 36/97 | 15/59 s | 36/97 | 15/59 s |
| Riyadh | 32/89 | 19/66 pc | 33/91 | 19/66 pc |

**Africa**

| | | | | |
|---|---|---|---|---|
| Algiers | 22/71 | 13/55 r | 19/66 | 10/50 r |
| Cape Town | 26/78 | 14/57 s | 25/77 | 13/55 s |
| Casablanca | 23/73 | 12/53 s | 23/73 | 16/61 s |
| Harare | 26/79 | 9/48 pc | 26/79 | 9/48 pc |
| Lagos | 31/88 | 23/73 pc | 31/88 | 23/73 sh |
| Nairobi | 28/82 | 14/57 pc | 27/80 | 13/55 c |
| Tunis | 21/70 | 14/57 pc | 15/59 | 7/44 r |

**Asia**

| | Today High | Today Low/W | Tomorrow High | Tomorrow Low/W |
|---|---|---|---|---|
| | C/F | C/F | C/F | C/F |
| Almaty | 17/62 | 4/39 c | 14/57 | 4/39 c |
| Bali | 32/89 | 21/70 s | 32/89 | 21/70 pc |
| Bangkok | 30/86 | 22/71 r | 29/84 | 22/71 c |
| Beijing | 14/57 | 2/35 s | 9/48 | -2/29 s |
| Bombay | 30/86 | 21/70 pc | 30/86 | 23/68 pc |
| Calcutta | 27/80 | 18/64 pc | 28/82 | 19/66 pc |
| Chiang Mai | 28/82 | 17/62 sh | 28/82 | 18/64 c |
| Colombo | 29/84 | 23/73 c | 27/80 | 23/73 r |
| Hanoi | 23/73 | 17/62 pc | 24/75 | 17/62 pc |
| Ho Chi Minh | 32/89 | 23/73 pc | 31/88 | 23/73 t |
| Hong Kong | 23/73 | 18/66 c | 23/73 | 19/66 c |
| Islamabad | 29/84 | 11/52 pc | 29/84 | 11/52 s |
| Jakarta | 30/86 | 22/71 sh | 31/88 | 22/71 pc |
| Karachi | 33/91 | 17/62 s | 32/89 | 16/61 pc |
| K Lumpur | 31/88 | 23/73 r | 31/88 | 22/71 r |
| K. Kinabalu | 29/84 | 23/73 s | 30/86 | 23/73 r |
| Manila | 29/84 | 22/71 pc | 30/86 | 22/71 pc |
| New Delhi | 30/86 | 13/55 s | 24/75 | 15/59 c |
| Phnom Penh | 30/86 | 23/73 sh | 29/84 | 23/73 sh |
| Phuket | 30/86 | 22/71 r | 29/84 | 22/71 s |
| Rangoon | 29/84 | 20/68 pc | 28/82 | 20/68 pc |
| Seoul | 12/53 | 3/37 pc | 6/43 | -7/20 pc |
| Shanghai | 18/64 | 8/46 s | 18/64 | 8/46 s |
| Singapore | 29/84 | 22/71 r | 29/84 | 21/70 pc |
| Taipei | 24/75 | 22/71 r | 24/75 | 19/66 t |
| Tokyo | 16/61 | 12/53 c | 17/62 | 14/57 pc |
| Vientiane | 27/80 | 17/62 sh | 28/82 | 17/62 pc |

**North America**

| | | | | |
|---|---|---|---|---|
| Anchorage | -1/31 | -6/22 pc | 4/39 | -2/29 sf |
| Atlanta | 18/64 | 7/44 s | 18/64 | 8/43 t |
| Boston | 11/52 | 4/39 pc | 12/53 | 4/39 pc |
| Chicago | 13/55 | 3/37 pc | 11/52 | 2/35 pc |
| Dallas | 23/73 | 8/46 pc | 22/71 | 11/52 s |
| Denver | 13/55 | 0/32 s | 18/66 | 4/39 pc |
| Detroit | 12/53 | 2/35 pc | 9/48 | 1/34 pc |
| Honolulu | 28/82 | 22/71 s | 31/88 | 23/73 pc |
| Houston | 22/71 | 12/53 pc | 23/73 | 11/52 pc |
| Los Angeles | 24/75 | 14/57 pc | 26/79 | 13/55 pc |
| Miami | 28/82 | 20/68 pc | 28/82 | 21/70 pc |
| Minneapolis | 12/53 | 0/32 pc | 8/46 | 1/34 pc |
| Montreal | 3/37 | -2/29 sf | 6/43 | -3/27 sh |
| Nassau | 29/84 | 23/73 pc | 29/84 | 23/73 pc |
| New York | 12/53 | 7/44 pc | 13/55 | 7/44 pc |
| Orlando | 24/75 | 13/55 s | 24/75 | 14/57 pc |
| Phoenix | 27/80 | 13/55 s | 28/82 | 15/59 pc |
| San Fran | 21/70 | 11/52 pc | 20/68 | 12/53 pc |
| Seattle | 13/55 | 8/46 sh | 15/59 | 11/52 sh |
| Toronto | 7/44 | 2/35 c | 5/41 | -2/29 sf |
| Vancouver | 11/52 | 10/50 sh | 10/61 | 7/44 sh |
| Washington | 14/57 | 9/43 pc | 16/61 | 6/43 pc |

**Latin America**

| | | | | |
|---|---|---|---|---|
| Buenos Aires | 22/71 | 8/46 s | 17/62 | 5/41 c |
| Caracas | 29/84 | 20/68 pc | 28/82 | 21/70 pc |
| Lima | 23/73 | 17/62 pc | 22/71 | 17/62 pc |
| Mexico City | 23/73 | 8/48 pc | 21/70 | 10/50 s |
| Rio de Janeiro | 28/82 | 22/71 pc | 28/82 | 23/73 pc |
| Santiago | 16/61 | 2/35 pc | 14/57 | -3/27 c |

**Oceania**

| | | | | |
|---|---|---|---|---|
| Auckland | 17/62 | 10/50 pc | 18/64 | 11/52 pc |
| Sydney | 27/80 | 17/62 pc | 26/79 | 21/70 s |


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## THE AMERICAS

# Deficit Withers to Level of 1970s

By Richard W. Stevenson
*New York Times Service*

WASHINGTON — The federal budget deficit has fallen to $22.6 billion, the lowest since the early 1970s, largely due to strong economic growth that brought a surge in tax revenue, according to officials of the Clinton administration.

The figure, covering the fiscal year that ended Sept. 30, was within the range predicted by economists and congressional analysts in recent weeks. It capped a year in which the economy drove down the deficit at a stunning rate, even before the balanced budget agreement, reached by the White House and Congress this summer, took effect.

The administration had started the year expecting a deficit of $128 billion, and as recently as late summer, both the administration and the Congressional Budget Office were predicting a deficit of $34 billion to $36 billion.

In dollar terms, the deficit has not been so low since 1974, when it was $6.1 billion. As a percentage of the nation's economic output, the deficit stands at less than 0.3 percent, equaling or perhaps slightly lower than in 1970, the year after the government last had a budget surplus.

As an economic matter, analysts said, the deficit is now so low that it almost does not matter whether it is eliminated. It is far below that of any other major industrialized nation and, economists said, one reason the United States has enjoyed a combination of steady growth, low inflation, low unemployment and heavy business investment in new technology. But the deficit's political symbolism remains important, not least to President Bill Clinton. His aides have said they hope to make the nation's restored fiscal health one of his most powerful legacies.

And with a shrinking deficit, the annual budget process, so long focused on partisan fights over spending cuts and tax increases, is undergoing an abrupt twist. Republicans in Congress are talking about the deficit being wiped out well in advance of the 2002 deadline set in the balanced budget accord, and they are debating how best to spend any surpluses.

While some Republicans want to pay down the national debt, which continues to grow, others are eager to use any surpluses for tax cuts or to increase spending on politically attractive projects like roads and bridges.

Administration officials have been more cautious, saying that the deficit is likely to increase again next year, partly because of tax cuts, and that there is no assurance the budget will be balanced before 2002. But even within the White House, an effort is under way to determine how best to allocate any surpluses.

## POLITICAL NOTES

### Gingrich Returns To the Nitty-Gritty

WASHINGTON — No longer in self-imposed exile, the field marshal of the Republican revolution is once again out on the House floor. Here is Newt Gingrich personally holding open a key roll call so his lieutenants can round up votes. There he is, leaner but not meaner, milling in the back of the chamber with his troops.

Instead of turning Republican leadership meetings over to subordinates, Mr. Gingrich is now running them himself. And, since August, he has kept up a grueling national fund-raising and speaking tour, all part of a concerted effort to strengthen his position as speaker of the House and reclaim his role as the intellectual leader of the fractious Republican Party.

There have been new Newts before, followed by new missteps. This time the speaker's re-emergence comes just months after House conservatives became so disgruntled with his leadership that they tried to topple him. But Mr. Gingrich, a man who keeps in his office a photograph of himself as a teen-ager visiting the World War I battlefield of Verdun, barely acts as if the summer coup attempt was a serious skirmish.

"I don't think anybody here thinks I lose a secret ballot vote," Mr. Gingrich said flatly in a recent interview, referring to any new ballot for speaker. "So there's a lot of noise," he shrugged. "That's fine."

Mr. Gingrich said that from the moment the 1996 elections left him with the narrowest congressional majority in decades, he knew he would face a "wild two years." He called most of the rebelliousness inside his caucus "creative chaos" that leads to the birth of ideas. *(NYT)*

### Voice of State Dept. Hears From Ex-Red

WASHINGTON — Nicholas Burns, former State Department spokesman and diehard Boston Red Sox fan, once took to the podium to condemn as a "traitor" the Red Sox star pitcher Roger Clemens, who defected at the end of last year to the Toronto Blue Jays.

"That is the official position of the State Department," he joked.

So, State Department reporters last week had the appropriate going-away present for Mr. Burns, who is awaiting Senate approval to be ambassador to Greece. Charles Wolfson, a CBS State Department producer who is also a long-suffering Red Sox fan, arranged with the Toronto club to get an 8-by-10 glossy of "The Rocket" himself in a Blue Jays uniform, wishing Mr. Burns luck in his new job and thanking him "for his kind words." *(WP)*

### Quote/Unquote

Al From, head of the centrist Democratic Leadership Council, chastising organized labor for its campaign against White House trade policies: "With the president's economic and political success, you'd think that Democrats would line up behind him." *(AP)*

Frank Gunn/The Associated Press

**CLASS STRUGGLE — A striking teacher outside the Toronto Board of Education talking to a board employee Monday as Ontario's 126,000 teachers stopped work in North America's biggest teachers' strike, affecting 2.1 million public school pupils.**

## Away From Politics

• **An HIV-infected man has spread the deadly virus that causes AIDS to at least 11 people, some of them unwitting teenagers with whom he traded drugs for sex.** A total of 98 people are under investigation for having had sexual contact either directly or via a third person with the 20-year-old infected man, said Health Department officials in Chautauqua County, New York. *(Reuters)*

• **Gunfire rang out again at the home in Roby, Illinois, of a woman involved in a monthlong standoff with authorities who have a court order to bring her in for psychological testing.** Shirley Allen shot a police dog through the nose Sunday after officers threw pepper spray into her farmhouse. She also fired a shot when policemen used mirrors on long sticks to peer in. *(AP)*

• **Dozens of birds were killed or hurt,** and rescuers had to clean the feathers of about 200 others when a mysterious oily substance washed up on beaches in Watsonville, California. *(AP)*

• **More than 500 million small arms** — military-style assault rifles, hand grenades and land mines — are in circulation worldwide, and fully half are in the United States, according to a new report. *(Reuters)*

# Donors Contradict Democrats

## *Indonesians Break Silence on $450,000 Gift to Party*

By Alan C. Miller and Glenn F. Bunting
*Los Angeles Times Service*

WASHINGTON — An Indonesian couple whose $450,000 gift to the Democratic Party was later returned because of its apparently questionable origins has told U.S. Senate investigators that the funds came from a wealthy relative in Jakarta.

Their account contradicts previous explanations by Democratic Party officials.

Arief Wiriadinata, described incorrectly in news media accounts as an Indonesian gardener, and his wife, Soraya, told the investigators last June how they made a series of five-figure payments to the party between November 1995 and July 1996, according to Senate documents.

Mrs. Wiriadinata's father, Hashim Ning, was a close business partner of Mochtar Riady, the patriarch of the Lippo Group, an Indonesian-based conglomerate, and a longtime supporter of President Bill Clinton.

Mr. Ning wired $500,000 to the Wiriadinatas for the contributions in November 1995, records show. Mr. Ning was at one time a 50 percent owner of Lippo Bank in Jakarta.

Mrs. Wiriadinata told investigators that the money was her own and that Mr. Ning managed all of the family funds.

The couple then began making sizable donations — their first ever — at the direction of John Huang, a former Lippo executive who was then a Commerce Department official. Mr. Huang was aided by James Riady, Mochtar Riady's son.

White House videotapes show a fund-raising event in which Mr. Wiriadinata shakes hands with Mr. Clinton and confides: "James Riady sent me."

Party officials have said the Wiriadinatas gave lavishly because they were grateful that Mr. Clinton sent a get-well note to Mr. Ning, who suffered a heart attack during a 1995 visit to the United States.

But Mr. Wiriadinata told investigators that the donations were either solicited or recommended by Mr. Huang, who in turn promised to arrange business meetings for Mr. Wiriadinata with prominent Asian-Americans. Mr. Wiriadinata owned a U.S.-based landscape architecture business and a Jakarta-based computer company that he wanted to expand in the United States. He is now a manager of Sea World of Jakarta, a marine park owned by the Lippo Group.

Michael Nemeroff, the Wiriadinatas' lawyer, said, "It is our position that the funds contributed were Mrs. Wiriadinata's." He declined further comment.

The Commerce Department and congressional investigators are reviewing Mr. Huang's government work for possible violations of the Hatch Act, which prohibits federal employees from soliciting campaign contributions.

The Democrats returned the Wiriadinatas' donations last November after learning that the couple had failed to file 1995 U.S. income tax returns.

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# Samper Party Leads in Troubled Vote

*The Associated Press*

BOGOTA — Threats of violence kept tens of thousands of Colombians from voting in regional elections, but millions cast ballots in what the government called a referendum for peace.

President Ernesto Samper proclaimed the elections Sunday a triumph for democracy, but he acknowledged that people in "some areas" had heeded a rebel boycott and chosen not to vote for mayors, governors and state and municipal offices.

The national election commissioner, Orlando Abello, said turnout was about 10 million of Colombia's 20.4 million registered voters, or 49 percent — up slightly from 47 percent in 1994 regional elections. He said voting was not held in 20 of Colombia's 1,072 municipalities. But Colombian news organizations said there was no balloting in more than 150 towns.

More than 100 candidates and elected officials have been slain this year, most by guerrillas but some by the rebels' paramilitary foes. At least 2,000 candidates withdrew under death threats. More than 300 withdrew after being kidnapped.

Preliminary results Monday showed that Mr. Samper's governing Liberal Party had maintained a majority of state and local posts. It won 19 of 32 governorships, compared with 4 for the Conservatives, and captured 412 city halls compared with 301 for the Conservatives.

Enrique Penalosa, a 42-year-old economist and Liberal Party member, was elected mayor of Bogota, the capital, while a Conservative, Juan Gomez Martinez, won that office in Medellin, the country's No. 2 city. Ideological differences between the two main parties are marginal. Coalition candidates won 6 governorships and 54 city halls.

Most concern was over the rebel threat. Emboldened by the weakness of Mr. Samper's corruption-plagued government, the rebels now pose the gravest challenge to Colombian democracy in more than 30 years. They control wide swaths of countryside and obtain millions of dollars annually from kidnapping, extortion and levying "war taxes" on cocaine and heroin production.

Traffic on Colombia's highways was down 80 percent on Sunday — a clear sign that people had heeded the rebels' "armed strike." Some roads were dynamited, presumably by guerrillas.

## M.L. King 3d In Line to Lead Rights Group

*Washington Post Service*

WASHINGTON — Martin Luther King 3d, the son of the slain civil rights leader, appears to be the leading candidate to replace the Reverend Joseph Lowery Jr. as president of the Southern Christian Leadership Conference.

Mr. Lowery, who is retiring, said he had summoned the group's 800 delegates to a special session at Atlanta's Ebenezer Baptist Church on Saturday to vote for a new president to head the civil rights group.

"All I'm confirming is that I have called a special session of our convention to hold elections," Mr. Lowery said. He added, "It is probably true that King is among those who will be nominated, and he is the one who may be elected."

Mr. King, 40, was a Fulton County (Atlanta) commissioner from 1986 until 1994. Since then, he has been lecturing on community activism.

The Southern Christian Leadership Conference was founded in 1957 by Martin Luther King Jr., Mr. Lowery, and the Reverend Ralph Abernathy Jr.

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ASIA/PACIFIC

# U.S.-China Summit: Amid All the Trade Talk, No Give on Basic Issues

By Steven Erlanger and David E. Sanger
*New York Times Service*

WASHINGTON — When President Jiang Zemin meets President Bill Clinton on Wednesday in the first state visit of a Chinese leader in a dozen years, there is likely to be a nuclear agreement and possibly one to provide U.S. assistance to clear China's air pollution from its coal-fired power plants.

There will be talk of a new age of economic cooperation, greased by at least $4 billion or more in freshly signed deals, more than half with Boeing.

Naturally there will also be plenty of food and plenty of Champagne. And the White House will declare, as its top officials have been saying for weeks now, that the main accomplishment of this summit meeting is that it is happening at all.

But that declaration is making a virtue of necessity, senior administration officials privately admit, because the months of frenzied negotiations between Chinese and U.S. officials before the meeting produced significantly less than once hoped.

The agreement to get China to reduce its dangerous exports of nuclear expertise will be the substantive centerpiece of Wednesday's meeting, and it will clear the way for billions of dollars in sales of U.S. nuclear power plants to a country whose economic ambitions outstrip its electrical capacity. China has also promised to stop selling anti-ship cruise missiles to Iran, reducing threats to U.S. naval ships in the Gulf and helping to mute Republican criticism of Mr. Jiang's visit.

**NEWS ANALYSIS**

But the once-feverish discussions about getting China to open its markets to foreign competition, especially with state-owned enterprises that are attempting a perilous transition to private ownership, have all but stalled — and with it, Beijing's hopes that this summit meeting would speed its entry into the World Trade Organization.

In other areas, progress will be at best incremental, senior officials say, and the main importance of this meeting is to provide a new beginning for what they concede has been the single most badly handled foreign policy of Mr. Clinton's presidency.

In a speech Friday, Mr. Clinton reiterated the need for broad engagement with China — "expanding areas of cooperation, dealing forthrightly with our differences" in order to "advance fundamental American interests and values."

But his defense of this visit by Mr. Jiang seemed passionless, and his critics are bound to argue that Mr. Clinton will not get enough in return for ending America's diplomatic quarantine of China after the 1989 military crackdown on student protesters in Tiananmen Square.

Representative Christopher Smith, Republican of New Jersey, who will hold hearings Tuesday on Chinese human-rights abuses, said the summit meeting itself "should never have happened without preconditions on human rights."

"We don't want nice-sounding words and sound bites," he added. "We want meaningful action for the victims of this dictatorship, which understands only power."

There are already concerns about the 71-year-old Mr. Jiang's reaction to the sight of protesters. He says his host, Mr. Clinton, should "handle these events." Secretary of State Madeleine Albright said Sunday that demonstrations were an example of democracy at work, that the Chinese had dictated their own itinerary and that Mr. Jiang should not expect "a totally fuzzy time."

The biggest accomplishment of this summit meeting is expected to be a written pledge from China to phase out its nuclear assistance to Iran, even though there is no international obligation to do so.

In return, Mr. Clinton will lift a 12-year U.S. ban on sales to China of nuclear technology for civilian power, which Beijing wants to buy and Westinghouse and ABB Combustion Engineering Nuclear Systems desperately want to sell.

Samuel Berger, Mr. Clinton's national security adviser, insists that sales of power plants "are the cart, but assurances to end nuclear cooperation with Iran are the horse."

"This is not in the first instance about whether we sell civilian nuclear power to China," he said. "It's about nonproliferation."

But many in Congress question the administration's willingness to crack down on China for the sale of dangerous materiel to Pakistan and Iran. The issue has become highly politicized; Republicans have accused Mr. Clinton of playing down alleged Chinese violations of past pledges to stop dangerous exports.

So Mr. Clinton has made security issues like proliferation and restraining North Korea important justifications for deepening U.S. "engagement" with China at the highest level, and for his refusal to allow U.S. policy toward China to rise or fall on human rights.

For the U.S. business community, however, the power plants are the horse. To them, the nuclear sanction is another example of how Washington drives China into the arms of French, Russian and Canadian businesses. America's allies long ago came to terms with post-Tiananmen China, noting that Beijing has possessed nuclear weapons for three decades. Westinghouse and ABB Combustion Engineering have spent months documenting to lawmakers how sanctions have already cost the United States $16 billion in lost sales.

"Clearly, the Chinese have the capability to build power reactors on their own and get help from others," said Ian Butterfield, director of government affairs at Westinghouse, which is ready to swoop as soon as Mr. Clinton signs the waiver. "What they are looking for now is advanced technology, and they are making it clear that they want to standardize on one nuclear-power technology for the country."

Far more business is at stake during this visit, he argues. If China's economy keeps expanding rapidly, the country will need $60 billion in new reactors over the next 15 years, and U.S. companies think the vast majority of that business can be theirs.

## JIANG: *He's Treading His Own Path*

**Continued from Page 1**

It remains to be seen how Mr. Jiang will perform — and what messages he will convey.

Both the Hong Kong handover in July and the 15th Chinese Communist Party congress in September were carefully scripted, made-for-TV events.

Mr. Jiang's trip to the United States, and the protests along the way, will test the political and rhetorical agility of the leader who annoyed President Bill Clinton in their first meeting by reading prepared remarks.

In a recent interview with The Washington Post and in a news conference Saturday, Mr. Jiang read answers to some questions.

At one point he said that China had direct elections at the county level; in fact, direct elections are held at the village level only.

Mr. Jiang is convinced that he can bolster China's image in the United States. But some of his answers, standard rhetoric at home, will not go down well.

For example, he called Tibet a one-time "theocracy" that is fortunate that China freed it from "serfdom," comparing Beijing's actions to the emancipation of American slaves. And he said that two jailed dissidents, Wei Jingsheng, a leader of the 1979 Democracy Wall movement, and Wang Dan, a student leader in the Tiananmen Square demonstrations, were guilty of criminal offenses and should not be called dissidents. Mr. Jiang is unlikely to break ground in discussing Tiananmen Square.

"It's very difficult for any Chinese leader to handle," an influential Chinese foreign policymaker said. "Maybe the best way is to not talk very much about it. Try to balance words and describe the situation in which the government had no choice.

"Any words of feeling of regret are not possible."

How Chinese leaders deal with the United States has much to do with how China views itself.

Many Chinese believe that the country should act and be treated like a great power.

Encouraged by stunning economic advances, memories of distant greatness and a conviction that the United States is in gradual decline, they believe that they stand on the edge of a "Chinese century."

But most influential Chinese and their leaders have a different, and probably more realistic, view.

After 150 years of foreign domination, civil war and domestic strife, China is still a profoundly insecure country obsessed with stability, not revolution.

Although its economy has grown 12 percent annually since Mr. Jiang took office and has built up a $130 billion cache of foreign exchange reserves, China still has nearly 300 million people living on $1 or less a day.

With an economy smaller than Italy's and slightly larger than Brazil's, China can achieve middle-income living standards if it can maintain rapid growth for another 25 years.

Although many Americans see China as a threat, Chinese policymakers realize that China cannot compete with the United States for global influence or power.

"Our goal is not to send an aircraft carrier to the Persian Gulf or Caribbean. Tibet, Taiwan, Hong Kong — these are the places we care about," said a policymaker, noting that China had passed up a chance to buy its first aircraft carrier.

"It's not a question of money. We have the money. We don't have a mission."

"America can maintain its military, economic and technological edge for at least 50 years, if not for the next 100 years," said Chu Shulong, director of the North American affairs division of the China Institute of Contemporary International Relations.

That means China needs to maintain a good relationship with the United States even if it must sacrifice relations with Iran, a potential oil supplier and customer for Chinese goods.

"What the United States does toward China affects China more than what any other country does," said Jia Qingguo, a professor of international relations at Beijing University.

American companies provide about 20 percent of China's foreign investment, rivaled only by overseas Chinese and the Japanese.

U.S. technology is much sought after. And though China dangles big contracts in front of American companies, it also depends on the United States as its biggest export market and the source of millions of jobs.

The United States is also important because of its emphasis on liberty, law and democracy.

The Voice of America is widely listened to in China, and U.S. culture and business threaten to carry out "peaceful evolution," a process once pointed to with horror by party leftists.

Mike Nelson/Agence France-Presse

**Dozens of Pro-Tibet demonstrators chanting "China out of Tibet!" as President Jiang Zemin of China arrived at the governor's mansion in Honolulu for a state dinner at the start of his visit to the United States.**

## A 'Very Bad Record' On Dissent in China

*Reuters*

WASHINGTON — China has a "very bad record" on freedom of political expression and dissent, and other countries should cite this as often as possible, the U.S. national security adviser, Samuel Berger, said Monday.

"With respect to political expression, with respect to political dissent, China still has a very bad record and I think the international community needs to point that out to the Chinese at every opportunity," he told CNN.

Mr. Berger also said the United States and other countries welcomed China as a partner to tackle such global issues as the environment.

"The largest cause of death in China now is pollution, from respiratory illnesses caused by pollution," he said. "Those environmental problems have global consequences, so we've got to have China in the global system if we're going to deal with global problems."

He added that trade and human rights were not mutually exclusive issues of importance to the United States and that Washington would speak up for those fighting for greater freedoms in China.

"When you're engaged with China through trade, through commercial activities, over time, as China has thousands of contacts a day with the West, that tends to have a liberalizing effect," Mr. Berger said.

"But it is not a sufficient human rights policy."


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## SWIM: *In a Chinese Tradition, Jiang Goes for a Dip*

**Continued from Page 1**

At the start of an intensely leftist political campaign in 1966, Mao chose to swim with the tremendously strong tide in the Yangtze River.

Choosing Hawaii as the setting for his own public swim afforded Mr. Jiang a beautiful setting and a chance to use the prestige of his visit to the United States to show he is healthy, both physically and politically.

He certainly looked robust. When he emerged onto the beach, an aide trading Mr. Jiang's dark swim goggles for his ordinary dark glasses, Mr. Jiang seemed vigorous and — in a rare move — even answered a few questions yelled by journalists over the head of bodyguards.

"I swam more than a kilometer," Mr. Jiang said. "It was very calm. Like a mirror."

"What? Yes! I very much like Hawaii."

And when the leader goes in, so do many of the minions.

Zeng Qinghong, who as Mr. Jiang's aide-de-camp is now considered one of the nation's most influential men, took a swim with his own personal style. He wore his prescription sunglasses into the water, not bothering to take them off when his head went repeatedly underwater during his decent rendition of the butterfly stroke.

One security officer did not bother to take off his socks and sandals as he strolled knee-deep in the surf. Yet when he finally decide to put down his walkie-talkie to head into the water for a swim, and a friend suggested he take off his footwear, the officer shed his sandals but headed into the water with his socks on. None of his colleagues seemed to notice.

### ■ Jiang Lays Wreath at Pearl Harbor

As he arrived Sunday, Mr. Jiang evoked historical ties between the two countries as demonstrators vowed to protest at every stop, Agence France-Presse reported from Honolulu.

Mr. Jiang laid a wreath of white carnations soon after arriving Sunday at a marble monument inscribed with the names of the more than 1,000 American servicemen killed in the Japanese air attack on Pearl Harbor on Dec. 7, 1941.

Mr. Jiang then rode on the bow of a ship with U.S. Navy escorts out to a sunken battleship, where he dropped a lavender-colored lei into the waves.

Outside a formal dinner at Governor Benjamin Cayetano's residence Sunday, about 200 demonstrators shouted "Free Tibet!" and "Human rights now!" Holding candles aloft, they chanted "Stop the torture now!" and "Tiananmen never again!"

Mr. Jiang arrived in Honolulu on Sunday and was greeted with a 21-gun salute and full military honors, a condition set by China for agreeing to the visit.

At the governor's dinner, Mr. Jiang offered a toast to strong Chinese-U.S. ties, saying they served the "fundamental interests of the two peoples and the rest of the world."

"I am looking forward," Mr. Jiang said, "to discussions with President Clinton on developing China-U.S. relations oriented toward the 21st century, and major international and regional issues so as to usher our relations into a new stage."

## BRIEFLY

### *Protests in Kashmir Mark Anniversary*

SRINAGAR, India — Four Kashmiri separatist leaders and scores of supporters were detained on Monday after violent demonstrations marked the 50th anniversary of the arrival of Indian troops in the Himalayan state.

Policemen used tear gas to disperse protesters in several areas of the Kashmiri summer capital of Srinagar, where shops and businesses remained shut in a protest strike called by Hurriyat. Schools, colleges and most government offices were also closed, witnesses said.

"This day is a black day in the history of Kashmir, as Indian troops occupied the region under the pretext of friendship," said a statement from the separatist All Parties Hurriyat Conference. *(Reuters)*

### *China and Russia Set Border Pact*

BEIJING — China and Russia will issue a major announcement on demarcation of their disputed border during a visit by President Boris Yeltsin next month, Deputy Foreign Minister Zhang Deguang said Monday.

"The work of demarcating the eastern section of the border has seen a breakthrough," the Xinhua press agency quoted Mr. Zhang as saying. "When President Yeltsin visits China, the two sides will issue a major announcement."

Russia has said full and final demarcation of the 4,300-kilometer (2,580-mile) border is expected to be completed during a visit to Beijing by Mr. Yeltsin in early November. A border document would be the first between the two countries. *(Reuters)*

### *South Korea Fires Homemade Missile*

SEOUL — South Korea test-fired its first locally designed, short-range guided missile on Monday, the Ministry of National Defense said.

A ministry spokesman said the Chunma missile was fired toward an unspecified western coastal area. The government said that 12 domestic companies and a foreign firm had developed the missile, which has a range of 10 kilometers (6.2 miles).

Last week, the Ministry of National Defense said it was buying the French-made Mistral, a portable surface-to-air missile similar to the U.S.-made Stinger. *(Reuters)*

## In Farewell, Sihanouk Sees 'Unhappy Country'

By Seth Mydans
*New York Times Service*

BANGKOK — Saying he did not know when he would ever return, King Norodom Sihanouk of Cambodia has left his homeland for China, defeated in his attempts to mediate its conflicts.

The king had spent two months in his country's ancient capital at Siem Reap, meditating and saying Buddhist prayers, on a visit from Beijing, where he makes his home and receives medical care for several ailments.

The country's de facto leader, Hun Sen, rejected his offer to seek a reconciliation between him and the king's son, Prince Norodom Ranariddh, whom Mr. Hun Sen deposed in a coup in early July.

The king cut short his visit without staying to celebrate his 75th birthday this Friday. In a birthday message issued last Friday, the day before his departure, he sounded despondent.

"Today's Cambodia is again an unhappy country with many of our compatriots unable to recover from the pain and grief caused by the murders of their fathers, husbands and brothers, where division is rampant and Cambodians are, once again, killing Cambodians," he said.

Since Mr. Hun Sen's coup, Cambodia's shaky economy has collapsed, essential foreign aid has been reduced, the country has been ostracized abroad, sporadic fighting has continued in the jungles, and a mood of hopelessness has settled over the population.

Though the king had made conciliatory statements to Mr. Hun Sen after the coup, apparently hoping to keep open his options of healing the country's wounds, his parting statements were harsh.

"It is a matter of profound sadness that my recent proposals to put an end to the current military confrontation have been rejected by our leaders," the king said. "My role as 'Father of all Cambodians' has thus been diminished, and I can only observe with deep anguish and desperation the conflict engulfing our nation and our international isolation."

Even before his departure, the king had moved to withdraw himself from his country's affairs, saying he would no longer fulfill his constitutional function of signing government documents and decrees and would not preside over a national commission being formed to monitor a general election scheduled for May.

He also repeated a desire to abdicate, ordered that no celebrations be held to mark his birthday and said that only his Buddhist faith prevented him from committing suicide.

Since the coup, Prince Ranariddh has sought to rally international support abroad, unable to return home because Mr. Hun Sen has announced that if he did he would be arrested and tried.

A few hundred soldiers loyal to the prince have held out in a northern Cambodian village near the border with Thailand, repulsing repeated attacks by Mr. Hun Sen's forces.

Not far away, the country's Communist insurgents, the Khmer Rouge, remains in their own jungle stronghold, still hoping to regain influence in the country they ruled from 1975 to 1979 in a reign of terror that cost the lives of at least 1 million people.

King Sihanouk, who holds little real power under the country's new constitution, found himself marginalized, though he still holds the passionate allegiance of many of the nation's people.

He spent his entire visit in Siem Reap, refusing to visit the country's current seat of power in Phnom Penh.

Mr. Hun Sen flew to Siem Reap on Saturday to see him off, as he had in August to greet him on his arrival, despite the fact that king had said he did not wish to see him.

The king said his wife, Queen Monineath, also known as Monique, would return for a short visit in December to preside over a Cambodian Red Cross ceremony. But he said he did not know when he would see his country again.

## Thais Arrest 11 Pirates Who Had Seized an Oil Tanker

*Reuters*

BANGKOK — The Thai Navy intercepted and seized an oil tanker on Monday and arrested 11 pirates who had taken control of the ship, navy officials said.

The navy base in Songkhla Province bordering Malaysia sent a plane and ship team to search for an oil tanker that was seized by pirates in a high seas about 200 nautical miles southeast of Songkhla, the navy said.

The navy search and rescue team was able to retrieve the Oriental City, a Thai and Honduras-registered oil tanker early Monday. The team arrested three Indonesians and eight Thais who had taken control of the tanker, the navy said.

Somchai Klongprayoon, the owner of the oil tanker, informed the navy late Sunday that his oil tanker, carrying about one million liters of diesel fuel, had been seized at sea, a navy spokesman said.

EUROPE

# Scientology Counters With March in Berlin

## *Hundreds Call for Religious Freedom*

By Alan Cowell
*New York Times Service*

BERLIN — The Scientology movement, reviled by the authorities here as mercenary and undemocratic, staged a demonstration through the heart of Berlin on Monday designed to depict modern-day Germany as being just as intolerant toward Scientology as Hitler was toward Jews.

But while the organizers had forecast a turnout of 10,000, fewer than 2,000 people congregated to march on a bright, chilly day and hear protest leaders exhort Germany to acknowledge Scientology as a religion and permit it to enjoy the benefits of that status.

"Religious freedom now!" the organizers led the modest crowd in chanting as the march got under way. Andrich Schaapers, identified by fellow Scientologists as a Dutch Scientologist living in California, led them in singing such songs such as "Break Down the Wall of Intolerance and Set My People Free," and "We Shall Overcome."

"In the end, Scientology has always won," one speaker said. "Religions always won. And so we ask the German government today: set your people free."

The organizers of the demonstration broadcast what they said was a recorded message from the American actor John Travolta, one of the most prominent American Scientologists, saying the organization was persecuted in Germany.

The procession took a route between some of Berlin's most potent emblems — from the landmark Gedachtniskirche, a central church in the former West Berlin, bombed by the Allies and celebrated by Berliners as a memorial to the end of the World War II, to the Brandenburg Gate, redolent of Germany's prewar history.

A modest counterdemonstration grouped a handful of people around a banner proclaiming the official German view: "Scientology is NO religion."

Some German commentators said the demonstration was aimed not so much at Germans as the United States, with the organizers hoping that television footage would bolster the assertion in an annual U.S. State Department report this year that Germany's attitude towards Scientology and its followers infringes on human rights.

The turnout — and the response by German officials — reflected many of the ambiguities surrounding Scientology in Germany. While its followers claim a membership in Germany of about 30,000, German officials put the number at 10,000.

Yet, the organization is treated as a national peril, reflecting what Bernhard Potter, a journalist specializing in religious groups, called "the lack of self-confidence in the civil society towards the completely exaggerated danger presented by Scientology."

"We find ourselves confronting an efficient business enterprise that has taken as its maxim the unbridled lust for profit and which proceeds accordingly," the Berlin Office for the Protection of the Constitution — a watchdog against extremism — said recently. "All the religious embellishment and pseudospirituality serve only to disguise these maneuvers."

The paradoxes reach back into a history of religious intolerance by Germany's established Christian churches and culminating in the dictatorship of the Third Reich. Yet, German officials insist, it is because modern Germany is so aware of how intolerance took root in its past that it takes such exception to Scientology's demand for recognition as a religion.

In June, the organization was placed under surveillance by the Federal Office for the Protection of the Constitution, an agency usually charged with monitoring and assessing the threat of political fanaticism to the democratic order.

Major German political parties ban Scientologists from their ranks. Well-known American Scientologists, like the pianist Chick Corea and the actor Tom Cruise, have been boycotted. Earlier this year, 34 Hollywood personalities including Oliver Stone signed an open letter to Chancellor Helmut Kohl urging him to end what Scientologists call harassment and discrimination against their members.

Such publicity feeds the Scientologists' campaign against the German authorities as they seek recognition as a church, which would win them some of the financial benefits that they enjoy from their tax-exempt status in the United States.

Founded in the 1950s by the American science fiction writer L. Ron Hubbard, Scientology offers its adherents what it depicts as a path to spiritual peace through a process of interviews and self-discovery called auditing. Adherents pay fees as they strive for enlightenment.

Jockel Finck/The Associated Press

**A marcher in Berlin on Monday. Fewer than 2,000 people took part.**

## Papon Trial Delayed By Illness Again

*The Associated Press*

BORDEAUX — A French court suspended Maurice Papon's war crimes trial for at least two more days Monday after doctors said the defendant should remain hospitalized. The judge also ordered a second opinion.

One of Mr. Papon's lawyers said the 87-year-old defendant, who went on trial three weeks ago, was "spitting blood" after he was hospitalized last week with bronchitis.

But heeding calls from the prosecution and civil parties, Judge Jean-Louis Castagnede appointed a lung specialist to determine when Mr. Papon would be able to return to court.

Dr. Rene Pariente, head of the pneumonology department at Beaujon Hospital in Paris, is to present findings Tuesday to the judge, who will then determine whether to suspend the hearings past Wednesday.

Indicating that the trial could be further delayed until next week, Judge Castagnede asked two historians who were to appear Monday whether they could testify as late as next Monday.

Both Robert Paxton, an American, and Henri Amouroux, a Frenchman, said they would try to make themselves available.

Mr. Papon, a former cabinet minister, is accused of signing the arrest orders that led to the deportation of 1,690 Jews, including 223 children, from Bordeaux when he was a Vichy police official during World War II.

He left the hearing early Thursday after he said he felt ill, and doctors said Monday that he was still sick.

# *Bosnia's War of Words*

## UN Copters Attack Key City With Leaflets

By Lee Hockstader
*Washington Post Service*

BIJELJINA, Bosnia — At least twice in the last few weeks, NATO helicopters have taken off after nightfall, circled once or twice over this small city in the Balkans and dropped a payload of political propaganda on the sleepy populace below.

The propaganda, in the form of white-and-blue leaflets, is laced with grammatical errors and tainted by association with its distributors, according to critics. Despite the imperfections, it is the latest weapon to be deployed in the bitter battle for hearts and minds between rival factions in the Serb-controlled half of Bosnia.

The leaflets leave no doubt that the rich Western powers, which are spending $1 billion annually to rebuild this country, support Biljana Plavsic, the Bosnian Serb president, although they do not mention her by name. They make it clear that the West opposes the clique around Mrs. Plavsic's rival, Radovan Karadzic, the former Bosnian Serb president, and will block the Bosnian Serbs from receiving aid money so long as these "selfish individuals" continue to wield influence.

Bijeljina is a pivotal battleground in this war without shooting and it is no coincidence that the NATO copters have chosen to target it along with one or two others.

The city is controlled by Mr. Karadzic and his hard-line allies, and no place is more important to them. It is the only city in Bosnian Serb territory with anything approaching bustling commerce, nearly all of it fueled by smuggled cigarettes, gasoline and building materials.

As the main conduit over the Drina River between Yugoslavia and the Serb-controlled half of Bosnia, it is the key transit point for the millions of dollars' worth of contraband — and profits — that keep Mr. Karadzic and his bloc in business.

For that reason, Mrs. Plavsic and her Western backers covet Bijeljina, a low-rise city of about 95,000 residents with modest houses, anonymous apartment blocks and a crowded downtown market area. "Take Bijeljina and the rest of Karadzic's empire is a house of cards," said a Western diplomat in Bosnia. "He wouldn't last long."

But with elections for a new Bosnian Serb Parliament just a month away, Bijeljina remains firmly under the thumb of forces loyal to Mr. Karadzic, an indicted war crimes suspect, whom Washington and its European allies accuse of obstructing the U.S.-mediated peace process for Bosnia.

Mrs. Plavsic, a rigid nationalist who supported "ethnic cleansing" during the 1992-95 war in Bosnia, has attacked the corruption of Mr. Karadzic and is seen as somewhat more supportive of Western peace efforts.

The Karadzic clique, based in the ski resort town of Pale, a three-hour drive south, controls much of Bijeljina's local government. It controls the Serb Republic's Internal Affairs Ministry and retains influence in the headquarters of the Bosnian Serb Army, both of which are based here. Most important, it controls the city's police force, the chief enforcers in Balkan politics.

For those who step out of line and defy Pale — and there have been a handful of such cases in the last few months — retribution in the form of job loss, threats and harassment is swift. When a ranking local politician, Dusice Bracanovic, defected from Mr. Karadzic's party and joined Mrs. Plavsic's a few weeks ago, she was beaten up in public by two men in police uniforms, according to human-rights monitors.

"We've been through three months of hell," said Jovan Krsmanovic, another functionary who switched parties and sided with Mrs. Plavsic in July.

Lately, Mr. Krsmanovic said, the hard-liners who control city hall have been trying to evict Mrs. Plavsic's people from their new party headquarters downtown, saying the building must be torn down for reasons of "urban planning."

If Mrs. Plavsic tries to wrest Bijeljina from Mr. Karadzic's grasp, "you would have real fighting here," said Sasa Pavarac, who represents the Helsinki Committee for Human Rights here. "It'd be hard for anyone to take power in a peaceful way."

For a time last summer, it appeared that the West was prepared to use more force on Mrs. Plavsic's behalf. Troops of the NATO-led Stabilization Force for Bosnia installed Plavsic loyalists in the police station in Banja Luka, the largest city in Bosnian Serb territory and the headquarters for Mrs. Plavsic. British soldiers also arrested a Bosnian Serb war crimes suspect and shot another who resisted arrest.

But a similar operation Aug. 28 in the strategic northern town of Brcko failed when crowds of stone-throwing Serbs clashed with U.S. troops.

The NATO force backed down and in a place where force alone is respected, the West again was seen as wavering, and Mr. Karadzic was back in business.

## BRIEFLY

### *Swiss Banks to Publish New Holocaust List*

ZURICH — Swiss banks will publish a second list of thousands more dormant accounts on Wednesday in an effort to find their rightful owners and counter persistent accusations that the banks are hoarding Holocaust victims' money.

Unlike the first list of nearly 1,800 accounts that was made public in July, the second list will include names of Swiss citizens as well as foreigners who entrusted money to Swiss banks before 1945 and did not withdraw the funds.

Bankers hope the new list, which covers some 14,000 people and 18 million Swiss francs ($12 million), will help ease the pressure they face from critics who doubt that the banks are doing all they can to clear up the wartime past. *(Reuters)*

### *Greek Doctors on Strike*

ATHENS — Thousands of doctors working for Greece's main social welfare fund began a two-week strike Monday, leaving affiliated hospitals and outpatient clinics operating with reduced staffs.

More than 8,500 doctors working for the Social Insurance Foundation, or IKA, are responsible for providing health care to hundreds of thousands of Greeks under the public medicare system.

IKA facilities will treat only emergency cases until Nov. 7, the federation said. Doctors are seeking salary increases and the payment of a variety of bonuses.

The walkout came four days after a 24-hour nationwide general strike brought Greece to a standstill. Pharmacists also plan an indefinite strike, starting Saturday. *(AP)*

### *French Blockage Near*

PARIS — A French trade union leader said Monday that truckers were ready to block roads around the country on Sunday in a repeat of their crippling strike over wages last year.

After talks with employers adjourned until Tuesday, Roger Poletti said that truckers had held "a war council" and had completed plans to set up some 180 roadblocks on Sunday. *(Reuters)*

### *Body Parts Discovered*

BRUSSELS — Policemen in Belgium uncovered evidence Monday that at least two bodies were buried in the basement of a house owned by a pastor who is suspected of murdering six relatives, the prosecutor's office said.

Searchers began digging in a second of the pastor's houses.

A prosecutor's spokesman said the police, after a week of sifting the basement floor, had discovered three pieces of a human knee joint.

The search of the first of three houses belonging to the Hungarian-born pastor, Andras Pandy, earlier uncovered fragments of a skull, a right thighbone, an arm and toe and finger joints, as well as shreds of underclothes. Two of his former wives and four of his children are missing. *(AFP)*

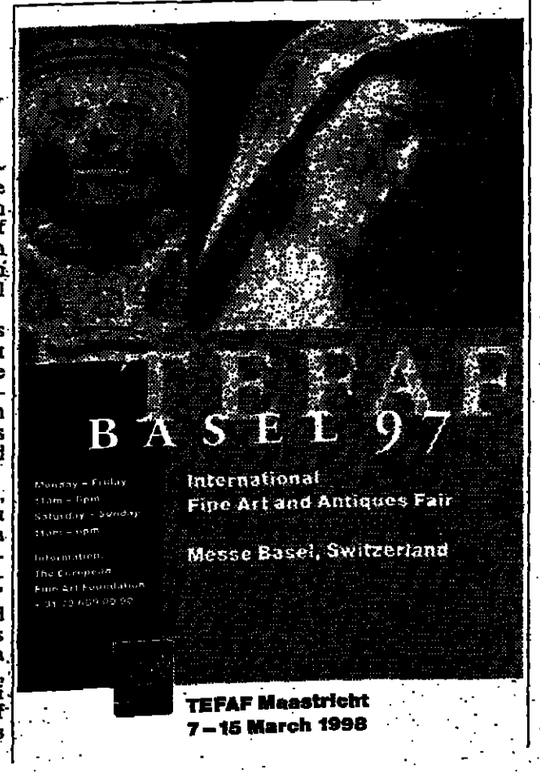
## Prodi Is Facing Inquiry Over Sale of Company

*Reuters*

ROME — A judge considering whether to put Prime Minister Romano Prodi on trial over accusations of wrongdoing in a privatization before he took office began examining a report by a panel of experts Monday.

Mr. Prodi faces allegations of abuse of office and conflict of interest for his role in the privatization of Cirio-Bertolli-De Rica, a food company, in October 1993, when he was chairman of IRI, a state-owned industrial holding company.

The examining judge, Edoardo Landi, suspended a hearing in March to allow a panel of accounting, commercial law and management experts to examine prosecutors' charges that Mr. Prodi and five other IRI board members gave Cirio's buyer, Fis.Vi., a southern Italian consortium, an unfair advantage. Mr. Prodi has said he will not resign if the case goes to trial, and has denied the allegations.

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## INTERNATIONAL

# Rift Widens in Israel Over Orthodox Control

*The Associated Press*

JERUSALEM — In a deepening rift between Benjamin Netanyahu and American Jewry, the prime minister's senior aide accused Reform and Conservative Jews on Monday of using a dispute over religion to try to topple the Israeli government.

The leading Conservative rabbi in Israel dismissed the accusation as "paranoid."

The sharp exchange followed a decision by the Reform and Conservative leaders Monday to press ahead with lawsuits seeking recognition of their movements in Israel, where religious affairs are controlled by Orthodox rabbis.

The decision came despite an appeal from Mr. Netanyahu to give a committee he appointed five months ago more time to find a compromise.

The Reform and Conservative leaders said there was no point in delaying court action since Orthodox rabbi leaders had refused to meet with them.

Under pressure from the three Orthodox parties that could topple his government, Mr. Netanyahu said this month that if efforts at compromise outside the courts failed, he would back legislation formalizing the Orthodox monopoly.

That now puts Mr. Netanyahu on a collision course with American Jews, many of whom belong to the two liberal streams. American Jews are among the most generous donors to the Jewish state and provide political backing for Israel in Washington.

Mr. Netanyahu's communications director, David Bar-Ilan, said the Reform and Conservative movements were trying to destabilize the government.

"There is no doubt that they are doing it, since they are affiliated with the opposition, to bring down the government," Mr. Bar-Ilan said.

Rabbi Ehud Bandel, leader of the Conservative movement in Israel, called the accusations "paranoid and untrue."

He said the statements were "forcing a conflict of the government on one side and world Jewry on the other."

A bill formalizing Orthodox control over conversions passed the first of three required readings in June. Religious legislators said they would prepare the bill for the final readings next week.

### ■ Netanyahu Assails Palestinians

Mr. Netanyahu accused the Palestinians on Monday of delaying a final arrangement with Israel and refusing real peace, Agence France-Presse reported from Jerusalem.

Mr. Netanyahu, whose address to Parliament was interrupted by heckling from opposition deputies, said the Palestinians only wanted gains without carrying out their side of agreements.

"We are not interested in cementing the present situation," Mr. Netanyahu said of the months-long stalemate in talks with the Palestinians.

The opposition Labor Party leader, Ehud Barak, warned that Mr. Netanyahu was bringing the country toward another war by stalling the peace process.

"The writing is on the wall," Mr. Barak said. "No one sitting around the government table will be able to excuse himself when much more horrible things will happen."

At one point during Mr. Netanyahu's speech, Labor deputies stood up holding signs reading "I am a proud Jew" — a retort to the prime minister's comments last week that leftists who back the Oslo peace accords "have forgotten what it means to be Jewish."

The remark, made in an aside to a leading Israeli rabbi, was picked up by an unseen radio microphone.

Jacqueline Lara/The Associated Press

**Palestinian prisoners, their hands bound, awaiting release Monday under a deal with Jordan. Amman had already released the two Israeli agents who tried to kill Khaled Meshal, a leader of the militant Islamic group Hamas.**

# Dozens of Bodies Discovered in Well in Algeria

*Compiled by Our Staff From Dispatches*

ALGIERS — Security forces have uncovered a mass grave at the bottom of a well in the Bentalah region near Algiers that could contain more than 30 bodies of people massacred by Islamic extremists last month, the daily Liberte said Monday.

Elsewhere, 23 civilians, including six members of one family, were killed since Sunday in the continuing violence gripping Algeria, and a bomb was defused Sunday in a mosque at Ketchua in the Basse Casbah old town, press reports said.

Gunmen killed 16 villagers in Oued Djer hamlet in Medea province, 70 kilometers (45 miles) south of Algiers on Saturday night, Le Soir d'Algerie reported. Ten children, including a baby, were among the victims, who were members of four families, it said.

The mass grave in Bentalah was found at the bottom of a well in a pasture. Escapees of last month's massacre there said a total of more than 200 were killed, but the official toll remains at 85.

"About 30 cadavers, maybe more, were thrown down there," said the Liberte report. "Some sources said these were believed to be women kidnapped during the killings at Rais or Bentalha."

Another grave containing several bodies had previously been found at Ouled Allel, a stronghold of the Islamic Armed Group taken over by the Algerian Army.

Press reports said six civilians had their throats cut Saturday night in Taoudmout in the Saida region of southwestern Algeria.

In Algiers on Saturday night, the brother of Abdelkrim Haddad, an opposition Socialist Forces Front candidate, was shot dead in front of his home, Liberte said. *(AFP, Reuters)*

# Solidarity Says Priest Erred on Jews

*Reuters*

WARSAW — Poland's center-right Solidarity bloc, about to head a new coalition cabinet, on Monday condemned remarks by a prominent pro-Solidarity priest who said Jews should have no place in the government.

The PAP news agency quoted the Reverend Henryk Jankowski as saying in a sermon Sunday that he agreed with views that "the Jewish minority should not be accepted in our government."

Tomasz Tywonek, a spokesman for Solidarity Election Action, said: "It is clear how far Father Jankowski strays in his words from declarations of the Catholic Church's bishops. In secular or political terms, this statement and this kind of thinking will never be accepted."

Father Jankowski's superior, Archbishop Tadeusz Goclowski of Gdansk, had already quickly divorced himself from the remarks.

"They are an absolutely unwarranted exploitation of the pulpit, a display of incompetence and a lack of concern for the public good," Archbishop Goclowski said Sunday, according to PAP.

Father Jankowski aimed his comments at Bronislaw Geremek, who is being proposed for the post of foreign minister by the liberal Freedom Union party as it holds talks on a joint cabinet with the Solidarity bloc after their success in parliamentary elections last month.

"We must oppose all evil, all arrogance, which Geremek demonstrated on television without even being foreign minister, which he should not be," Father Jankowski was reported as saying at his St. Brygida's church in the Baltic city of Gdansk. Mr. Geremek, an academic and leading veteran of the democratic opposition to communist rule before 1989, is of Jewish origin.


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# U.S. Cautions Iraq on Arms

*Reuters*

WASHINGTON — The White House said Monday that there would be serious consequences if Iraq decided to suspend its dealings with United Nations weapons inspectors.

"If Iraq decides to follow the assembly's advice, that would have serious consequences," a White House spokesman said, referring to a recommendation by Iraq's Parliament on Monday to suspend its ties with the UN inspectors.

The White House spokesman declined comment on what the consequences of such an Iraqi action might be. Asked if they might include military action, he said: "We have a wide range of options. I do not want to go beyond that at this time."

The spokesman also said that inspectors from the UN special commission in charge of dismantling Iraqi weapons of mass destruction have not reported any difficulty in "inspection and monitoring activities in the past few days."

The spokesman said the United States was not certain whether the Parliament's recommendation was "rhetoric" or whether it would result in an actual suspension of dealings. He insisted that the inspectors must have access to all "sites, documents and personnel."

In Iraq, the official Iraqi press agency, INA, said that the Parliament recommended Monday that Iraq suspend its ties with the inspectors to counter a Security Council resolution that threatens more sanctions.

It reported that the assembly recommended that the freeze should continue until a timetable was set for lifting the UN embargo imposed over Iraq's invasion of Kuwait in 1990.

The Security Council approved a resolution last week threatening to impose a travel ban on Iraqi officials for hindering the inspectors.

# Mandela's Libya Stop Not About Lockerbie

*Reuters*

EDINBURGH — President Nelson Mandela's return visit to Libya this week is not aimed at discussing the 1988 bombing of an airliner over Lockerbie, Scotland, his chief aide said Monday.

"It's not about Lockerbie, definitely," said Jakes Gerwel, who was in Edinburgh with the South African leader at a Commonwealth meeting of heads of government.

"President Mandela is not seeking to mediate in the Lockerbie matter," Mr. Gerwel said. "He's not running a shuttle service between London and Tripoli on Lockerbie."

Mr. Mandela will visit Libya for a few hours early Wednesday and discuss another, unspecified issue that arose during his talks with Colonel Moammar Gadhafi, the Libyan leader, last week, Mr. Gerwel said.

## BRIEFLY

### France Backs OAU On Camoran Vote

PARIS — France backed the Organization of African Unity on Monday in its condemnation of the independence referendum on the secessionist island of Nzwani.

The organization dismissed the result of the Sunday referendum and said it would take steps to nullify the result.

"We agree entirely and without ambiguity with the OAU's position in this matter," Jacques Rummelhardt, a French Foreign Ministry spokesman, said. "The OAU is the most appropriate organization for getting all the people concerned around a table."

The Organization of African Unity also reaffirmed its "unflinching support" for the unity and territorial integrity of Comoros.

The secessionist movement on the island formally known as Anjouan said Monday that preliminary results showed 98 percent of the island's 230,000 people had voted to break away from Comoros.

Nzwani declared its secession in July. In September, it repulsed a military intervention by federal troops. *(Reuters)*

### Bloc Gives Nigeria A Year on Reforms

EDINBURGH — Commonwealth leaders ended a four-day summit meeting here Monday, vowing to crack down on Nigeria unless it improved its human rights record and stressing the need to improve economic ties between members.

Human rights activists and dissidents have criticized the 54-nation grouping for not expelling Nigeria over its failure to introduce democratic reforms, but the leaders made it clear that they would pursue a carrot-and-stick approach.

A final communiqué confirmed that Nigeria's 1995 suspension from the Commonwealth would be maintained.

If Nigeria's military government does not restore democracy by Oct. 1, 1998, as promised, it could face expulsion and an oil embargo.

"We have taken very, very tough action," Prime Minister Tony Blair of Britain said.

"The suspension continues, there will be further sanctions which follow," he said, "and if there isn't proper progress then there's no doubt at all that Nigeria's position will be in grave jeopardy in the Commonwealth."

Several African countries say that more should be done to engage Nigeria in dialogue, but the leaders rejected a South African proposal that a high-level delegation be sent to Abuja. *(Reuters)*

# U.S. Envoy Calls for Fair Election in Kenya

*Reuters*

NAIROBI — The chief U.S. delegate to the United Nations, Bill Richardson, called Monday for swift agreement among Kenyans before elections due this year.

Mr. Richardson arrived in Nairobi after high-profile visits to Congo, formerly Zaire, and to Angola.

In an arrival statement, Mr. Richardson said he would brief President Daniel arap Moi about his efforts to resolve a dispute between UN headquarters and Congo over reported human-rights abuses.

Mr. Richardson stressed American concerns about the need for free and fair elections in Kenya, whose status as a longtime Western ally in Africa has not prevented U.S. protests about governance and human-rights issues.

"It is my strong hope that the Kenyan people will swiftly come to agreement on the next steps in their development as a democratic nation," Mr. Richardson said.

"How Kenya is governed is a question for Kenyans to resolve," he said, "but we believe that all Kenyans must have a full voice in that decision."

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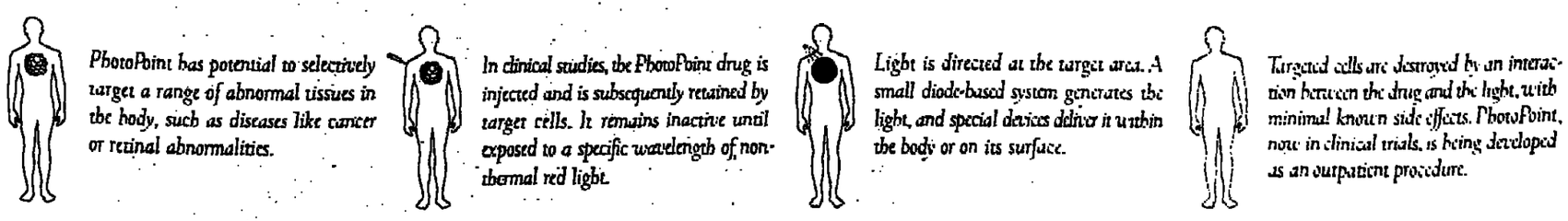


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# Dwindling Forests

U.S. national forests once may have seemed a limitless resource, but now they are a dwindling one, and policy should be changed accordingly. Commercial logging in the forests needs to become the exception, not the rule. That should be especially true with regard to pristine areas not logged already.

Unfortunately, Congress and to a lesser extent the administration continue to follow policies pointing in the opposite direction. Under the false flags of balance, sustainability and the like, they are allowing destruction of the forests to go on. Only the pace has slowed, but not enough. There are several current examples.

The Forest Service has approved (but Agriculture Secretary Dan Glickman has not yet signed off on) a new management plan for the great Tongass National Forest in southeast Alaska. The plan would allow more logging than required by either the current state of demand for timber products or the long-term economic health of the southeastern Alaska region. It is almost as if the service, in setting the maximum logging levels, had been seeking to entice back into the region a timber industry only recently departed and of which the forest is well rid.

Administration officials defend the plan on grounds that it is better — is based on better science and is more protective of the forest, the species within it, etc. — than its predecessor. No doubt that is true, but it is also the wrong standard. The plan still would do unnecessary and irreparable environmental harm. The politics are hard, but the secretary should order it cut back.

Congress seems well on the way to passing legislation that the president will almost surely sign, though he should not, short-circuiting the normal procedures and ordering adoption of a particular management plan for three forests in northern California. The plan would permit a fair amount of cutting. Its virtue from the politicians' standpoint is that it was put forward as a consensus proposal by a group representing industry and, supposedly, environmentalists in the affected region. Supporters tout it as a possible model for a new approach to forest management; local consensus becomes the key. But these are national, not local forests, and while local views need to be taken into account in their management, they need to be managed as other than adjuncts to local economies. The model appeals to those who would shift political power generally from the federal to the local level, but in this case it is wrong.

Congress this year came within a whisker (a vote or two in either house) of cutting funds for further road-building in the forests. The road-building program is doubly objectionable — a subsidy to the industry that simultaneously opens up and allows it to enter parts of the forests not previously cut. Now, instead of a cut in these funds, the Interior Department appropriations bill is said to contain a provision whose effect could be to expand the road-building program, in that it removes a previous cap. Particularly in the House, the administration failed to fight as it should have to limit these funds; a greater effort on its part, and the vote would likely have come out the other way.

The president still has leverage over the issue; there are other objectionable features to the bill, and there continued to be debate within the administration last week about whether he should sign or veto it. In a year of so much supposed support for economy in government, what better object lesson to cut back than this?

There is an effort now in the Senate to rewrite forest management law in a way that likely would lead to a larger cut each year. The chances that the bill, by Senator Larry Craig, will make it all the way into law are pretty slim. What ought to occur instead is a tightening of the law in the opposite direction. Why, in the name of the conservation in which it professes to believe, does the administration not propose that?

*—THE WASHINGTON POST.*

# Endorsing Whitman

For most of this year, the New Jersey gubernatorial race sputtered along with little drama. Early surveys showed Governor Christie Whitman ahead, helped by the state's improved economy, the drop in crime and welfare rolls and, not least, her record of cutting taxes as she promised four years ago. Lately, James McGreevey, a state senator and the mayor of Woodbridge, has gained, hammering the governor over school standards, soaring property taxes and auto insurance rates. Mrs. Whitman, a rising star in the Republican firmament a few years ago, is fighting back hard in a tight race that is drawing national attention.

We endorse Governor Whitman for re-election, although the choice was not easy. She is an impressive politician with an excellent command of issues. But her 30 percent income tax cut, which we opposed, has damaged the state's fiscal health because it was largely financed by a raid on the state pension systems. Mrs. Whitman compounded the error this year with a $2.7 billion bond issue to keep the pension system solvent.

On the other hand, she has compiled a solid record on the environment and education issues. Her approach to helping people on welfare find work has been humane. She has championed abortion rights, affirmative action and other causes of the moderate wing of the Republican Party. If she wins, she can help her party get beyond its punitive agenda in Washington.

There is much to like about Mr. McGreevey, a little known but energetic politician who came from behind to win the Democratic primary in September. Contrasting his own working-class background with that of the patrician governor, he has attacked Mrs. Whitman's fiscal policies, called for higher school standards and demanded action to lower New Jersey's car insurance rates, the nation's highest. But Mr. McGreevey has failed to offer a coherent explanation of how he would meet his promises. He cannot escape having voted in the state legislature for Mrs. Whitman's tax cut, and he has not said where he would get the money to pay for upgrading schools as well as the state aid that would help local districts cut property taxes.

Like many Republicans, Mrs. Whitman entered office promising to bring sensible business practices to government. Her privatization schemes have largely fizzled, but she bargained hard with state unions and in general kept the cost of government under control. The impact of her worst mistakes, the tax and pension schemes, was mitigated by economic good times.

Like some politicians, Mrs. Whitman is most distinguished by the enemies she has made. The Republican right wing has reviled her for the sin of favoring affirmative action, abortion rights and equal treatment of homosexuals. In backing Senator Bob Dole last year, she warned the party not to turn its back on moderates. In the battles on Capitol Hill over welfare and Medicaid spending, she has played a visible role, demanding that Republican congressional leaders support programs that help the urban centers of the North.

The governor turns aside questions about running for higher office if she is re-elected, a sensible position given her current political troubles. We hope that, with a victory at home, she will not hesitate to demand humane national policies on education, the environment, race and treatment of the poor.

*— THE NEW YORK TIMES.*

## *Other Comment*

### Shorter Hours, Fewer Jobs

The governments of France and Italy have proposed cutting their legal working week to 35 hours as a way to trim unemployment. In fact, the demand for labor depends upon productivity and wage costs. Fewer hours will create more jobs only if weekly pay is also cut.

Moreover, recruitment, training and other fixed costs can make it more expensive for a firm to employ a larger work force for shorter hours than a smaller one for longer hours. Worse still, shorter hours may reduce a firm's productivity if it becomes more difficult to coordinate a bigger work force.

It is telling that in Britain and the Netherlands, which have the fewest restrictions on working hours, part-time work has increased sharply. Some 38 percent of Dutch workers and 24 percent of British ones are employed part-time, compared with 16 percent in France and Germany. Unemployment rates have fallen in Britain and the Netherlands to half of the EU's average.

*— The Economist (London).*

# *Outsiders Can Help Reduce the Risk of Conflict*

By David Bryer

OXFORD, England — On Oct. 7 a micro-replica of modern war occurred in Colombia. In the village of San José de Apartado, three men were murdered as they came down from tending their hillside plots.

They died because they were part of San José's so-called "peace community," which in March declared its neutrality vis-à-vis both paramilitaries and guerrillas.

When I was in San José two weeks before the killings, I was struck by the immense courage of the men and women who are challenging all sides in Colombia's brutal conflict.

These murders were so cruel not just because they were the deliberate slaying of civilians — four out of five victims of conflict in the world today are civilians, and nearly half are children. But also, in this case, ordinary people were standing up to try to make their country more peaceful.

The challenge to the rest of us who live in comparatively peaceful regions is to respond to that courage.

We must do more to prevent wars than what the professor of international relations here in Oxford, Adam Roberts, described recently as "the bland statements, half-promises and betrayals" of the 1990s. He was castigating Europe as much as America.

People don't go into the aid business unless they are optimists. I see some signs that on both sides of the Atlantic there is a new will in 1997 to take on the responsibility that living in rich nations of the world places upon us.

Secretary of State Madeleine Albright talks of standing up for the rights of the weak, influenced as she is by her childhood in war-torn Europe.

Britain's foreign secretary, Robin Cook, speaks of a new "ethical foreign policy." France's prime minister, Lionel Jospin, wants the European Union to adopt a code of conduct on its arms trade; the idea has the backing of Germany. A similar idea is being debated in the U.S. Congress. If such a code fails in Congress this fall, Europe may get ahead of America by agreeing on one in the first half of next year.

So far so good. But how much of this is just show? How influential are the West's foreign ministries with those taking the "hard policy" decisions on defense and economics?

Mrs. Albright lost her battle with the Pentagon on selling U.S. F-16s to Chile, which threatens a Latin American arms race. British defense companies, far more powerful than any domestic gun lobby, are reported to be pressing the government to curb Mr. Cook's enthusiasm to regulate the arms trade.

Since the end of the Cold War, commentators in the West have observed that international policy is no longer driven by geopolitics but by geo-economics. But international policy driven by the need to trade too easily means selling arms to anyone, keeping quiet about human rights abuses and ignoring the regions of the world, particularly Africa, largely untouched by the wealth of the global economy.

This does not fit easily with the new ethical rhetoric of Mrs. Albright, Mr. Cook and the other foreign ministers who gathered in New York late last month to say that they would do more to help Africa curb its wars.

To make policy fit the rhetoric, governments should follow the example of those enlightened companies that have recently seen that their trade depends on peace. In the past, transnationals have too often done business in war zones in a way that sustains the violence. Now some are seeing that this is neither ethical nor in their interest.

For enlightened companies, this is part of a wider move to "social auditing," responding to our demands as Western consumers that they do good as well as sell good products.

It is time that Western governments, too, agreed to test all their international policies as to whether they increase or reduce the risks of armed conflict, by carrying out a "conflict impact assessment." This means recognizing what we see in poor communities from Los Angeles to London, from Central America to Central Africa: that poverty greatly increases the risk of violence.

We should indeed be more optimistic than for years that Western governments can improve their performance in helping to reduce the human cost of war. That is why Oxfam has chosen to launch a campaign to cut conflict, starting with the need for the United States and Europe to curb arms flows to the world's killers.

The campaign against land mines is remarkable for the speed with which it galvanized people across the world. Is that success a blip in the can't-do trend of 1990s diplomacy, or the start of a new period in which governments pursue more ethical international policy?

*The writer, director of Oxfam, contributed this comment to the International Herald Tribune.*

# China Is Transformed, and the World Better Pay Attention

By Robert G. Kaiser

BEIJING — While much of America has not really noticed, China has transformed itself. A reporter exposed to this new China for the first time has the urge to grab his countrymen by the lapels and shout: Pay closer attention!

Isolated facts about China's transformation are familiar. It is the experience of seeing it whole that is startling.

In the past eight years China has created a novel form of nearly-market economy that has doubled GNP. In the 1990s China has been the most successful developing economy in the world, growing at a dizzying 10 percent a year.

The violence in Tiananmen Square implied a return to rigid Communist orthodoxy, but the reality here is anything but orthodox. Instead of saluting a party line, government officials argue openly about fundamental issues of policy and strategy. Some speculate about a future in which the party has only ceremonial or social functions.

On the humming streets of Shanghai and Beijing, young women in miniskirts and jazzy makeup show off individualistic style. Chinese rock groups mimic the moves of American hip-hop artists in videos shown on official Chinese television.

Private business is thriving and making some Chinese rich. Chinese who fled the country because of Tiananmen and its implications are coming back by the thousands, many carrying American green cards as personal insurance policies, but now eager to participate in their country's revival.

This new China is remarkably relaxed in its now extensive dealings with the foreign devils that Communist propaganda once denounced. It is shrewdly welcoming Japanese and Western capitalists to help turn a barren socialist wasteland into a consumer society — at the high end, a lavish and indulgent consumer society.

Big Mac attack? No problem, as the Chinese like to say — 37 McDonald's now in Beijing. Cell phones? They, too, are now ubiquitous. Motorola Corp., which has sold most of them, is shipping profits out of China in bushel baskets.

Internet connection? Edward Tian, a Chinese citizen, Texas Tech graduate and former resident of Dallas, can help. His company, an American firm named Asiainfo, is building the "backbone" of connections that will bring the Internet into cities beyond the capitals of all of China's 30 provinces, where customers can already sign on with a local phone call.

*Can China's boom keep the party in power? Smart people are trying to make it happen.*

(Mr. Tian cannot evade the controls that the Chinese government still imposes, routing every Internet account in the country through choke points at the Ministry of Post and Telecommunications, which can block access to Web sites around the world considered undesirable — block them in ways that a resourceful computer operator can easily evade.)

Shanghai is the extreme example of China's transformation. It is a city of 17 million souls, 10 percent of whom are construction workers participating in what must be the world's biggest building boom.

The construction workers are peasants from the countryside, many of whom never earned a cash wage before coming to the big city. Now they earn about $250 a month and work in one of three shifts per day, often seven days a week. According to the mayor, Xu Quangdi, 18 percent of the world's construction cranes are currently operating in his city. Skyscrapers are sprouting out of every neighborhood in town.

The real wonder is Pudong, the new eastern section of Shanghai — farmland until 10 years ago. Driving through Pudong now feels a little like sneaking a peek at the 21st century, with scores of office towers of 30, 50, 60 and — soon — even 95 stories climbing out of the old fields. Pudong already has 3 million residents in its proliferating apartment blocks, and will absorb millions more.

In the outlying regions of Pudong, General Motors Corp. is building a big plant to produce Buicks. In a few minutes driving through the area, a visitor passed factories for Sharp, Leica, Whirlpool, Johnson Wax, Siemens, Ricoh, Hitachi and Hewlett Packard.

In Shanghai and Beijing, China has attributes of what might be called a nearly normal society. Modern artists, whose style fits no description of socialist realism nor satisfies any political requirement, work openly, sell their paintings to foreigners at galleries and make enough money to build a studio and house in the countryside outside Beijing.

This is what the painter Su Xinping is doing right now. His latest works are selling at the Red Gate Gallery for $5,000, mostly to foreign buyers.

A young environmental activist, Wen Bo, who edits a newspaper called China Environment News, observed that members of his generation once thought that politics was very important, but now politics occupies "about 10 percent of life, because there are now so many other opportunities."

But opportunities have their limits. No Chinese can openly join the Roman Catholic Church, for example; it is banned in China. Chinese cannot have as many children as they would like (most families are effectively limited to one or two) or publish a book denouncing the horrors perpetrated by Mao Zedong, the founding father of the People's Republic and a monster who qualifies with Hitler and Stalin as one of the 20th century's most proficient murderers.

China has a huge security apparatus and no tolerance for direct challenges to the legitimacy of the regime.

The rule of law is, as even Chinese officials acknowledge, still a foreign concept. There was great excitement recently when the Beijing Communist Party boss was ousted for egregious corruption, but he has yet to be put on trial.

To be in the People's Republic of China is to walk among the ghosts of some of the greatest horrors of the century — especially Mao's disastrous Great Leap Forward in the 1950s, and the Cultural Revolution that began in 1966. The society has made no effort to come to terms with the causes or consequences of those crusades, which killed millions, or with the consequences of Tiananmen — the hundreds who were killed, the many thousands who later lost jobs for sympathizing with the students. Thousands more left China after 1989 in despair.

Instead of public discussion, those ugly episodes have been officially obliterated from China's history.

Nevertheless, a visiting foreigner is repeatedly confronted by reminders of the country's real history.

A university professor recalls 10 lost years when he was required to teach in a remote, impoverished village — his part in the Cultural Revolution, in which Mao invoked slogans of "Greater Democracy" and unleashed the country's students against its intellectuals, creating terror and turmoil.

A Beijing city official lowers her voice and says firmly, "The people of Beijing have not forgotten 1989." A friend recalls the death of a parent in the Great Leap, when Mao tried disastrously to compel industrialization of the country.

This history induces fear. There is still fear in China.

The authorities have a name for the hybrid they have created: "socialism with Chinese characteristics." More accurately, it is socialism with capitalist characteristics, like stock markets, millionaires and a widening gulf between rich and poor. About 200 million Chinese still live on less than a dollar a day.

The great growth of recent years has been pushed by every sector of the economy but one — the traditional, state-owned sector. The debts of state-owned enterprises nearly equal their assets. In other words, they are virtually insolvent. Loans from state banks keep them afloat. As a result, the banks have huge bad debts — how huge is not exactly clear.

Pragmatism is in ascendancy here, largely because the government has concluded that continued economic growth is the key to China's well-being, and perhaps to the ability of the party to rule the country.

In the wake of Tiananmen, the government and the population reached an implicit bargain: "You let us get rich, and we'll let you govern," in the words of Wang Ruoshi, a disaffected former deputy editor of the People's Daily, the party newspaper. Strengthening economic reform and continuing what the Chinese call "the opening" to the outside world are the keystones of official policy.

Can China's boom continue, and keep the Communist Party in power? Perhaps. Smart people are hard at work trying to make this happen.

The country faces daunting problems: the danger of banks collapsing, and the possibility of the sort of economic crisis that is setting back so many of its Asian neighbors this year. But China also has formidable resources, starting with the talents and energies of the people.

Because of its enormous size and the economic success it has already achieved, China seems destined to play an enormous part in shaping the 21st century.

*The Washington Post.*

# *Move On, Keep Trying, Get Rich*

By Richard Reeves

NEW YORK — The best advice about getting rich in America is to start young. There are two scenarios.

In the nerd strategy, you fall obsessively in love with something that turns out to be the wave of the future, like computers. In the upward failure strategy, you try and try again until you get it right.

Bill Gates and a lot of geeky kids were in the right place at the right time. Most never really set out to be rich. Another kind of kid is obsessed with money, trying and trying again until he has something that people will pay for.

Take a 12-year-old from Port Huron, Michigan, who started selling newspapers on the trains that came through town. Too impatient for school, he learned a lot about failure before he figured out a way to jam more digits on existing communication lines. His name was Thomas Alva Edison, and he figured out a way to double the dots and dashes moving along copper telegraph lines. That was in 1869, when he was 22.

Edison was the godfather of American hustle, spending his life trying to figure out what came next. Like Mr. Gates, he was just as much a businessman as a scientist and inventor, a determined guy in a time of technological revolution and easy money. His motto, he said, was "Anything that won't sell, I don't want to invent."

Sanjiv Sidhu, an Indian immigrant, has built a $1.2 billion company, I2, based in Dallas. He put it this way: "The clear measure of the value of what you are doing comes when people pay for it. If you create something and people don't pay for it, you're doing something wrong."

"Productizing vision is what we do," said William Carrico. He and his wife, Judith Estrin, have commanded two successful Silicon Valley start-ups and are at work on a third. They are, like most of the new and greatly rich, ready to try anything.

That is the open secret of Silicon Valley, a critical mass of talent arranging and rearranging themselves to deal with the problems of the day or of the minute — obsessive means in pursuit of doable, profitable ends. "Entrepreneurs are not geniuses or even particularly innovative," said Ms. Estrin. "What they are is flexible. If the trail changes, we change with it."

High tech, like politics, is the art of the possible. If someone else has a better mousetrap, Estrin-Carrico, their peers and their rivals begin a new search for better bait.

The good ones find something whether they were looking for it or not. Which may suggest that Bill Clinton is the right president for the times in Silicon Valley, Hollywood or Wall Street.

Experimentation is at the center of speeded-up business systems, special effects in new entertainment, and financiers and investors gambling on rainbows in the heads of young and restless geeks.

America's high-tech geography lies at the ends of the old pioneer trails to Oregon, Washington, California and Texas. Silicon Valley is the ultimate American place, the last stop of serial pioneers.

The pattern of moving on, starting up, failing, starting up again is a modern version of how the West was won in the 19th century. Restless people crossed the Alleghenies, moved on to the Mississippi and Missouri rivers, then pulled up stakes again and set out on the Oregon Trail.

Sailors, politicians and entrepreneurs follow the wind. Entrepreneurs and other dreamers are immigrating from India, Taiwan, Russia and other far points east and west. That was Sanjiv Sidhu's journey, from Hyderabad to Oklahoma State University.

Kenny Troutt came to Dallas, too. He was desperate to be rich for the most usual reason. He grew up poor, in the projects of Mount Vernon, Illinois. He is 49 now and very rich. He began setting up companies the day he graduated from Southern Illinois University in 1970. In 1988 he created EXCEL Communications, now the fifth-largest operation in the residential long-distance telephone business.

Mr. Troutt found his opportunity in the breakup of AT&T. He became a switchless reseller, purchasing blocks of long-distance time (an electronic commodity) on existing transmission lines and reselling them at a profit.

Well, that's what America is supposed to do, isn't it? Hold out the chance to be rich. Sometimes it works, sometimes it doesn't.

A thrilling communications business of yesteryear, the Pony Express, carrying mail from St. Joseph, Missouri, to Sacramento in 10 days for $2 an ounce, closed down on Oct. 24, 1861, two days after telegraph lines were linked from coast to coast. The original investors lost $200,000. But now Kenny Troutt is a billionaire.

*Universal Press Syndicate.*

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1897: England Mourns

LONDON — A profound feeling of regret was caused in London yesterday [Oct. 27] by the announcement of the death of the Duchess of Teck, which occurred two hours after she underwent an operation for strangulated hernia. The Duchess of Teck was one of the most popular members of the British Royal Family. Her kind, charitable disposition was well known and appreciated by the English people, and, as might be expected, her death is causing widespread sorrow.

### 1922: Dry Vessels

NEW YORK — No United States ships will be allowed to carry liquor in any part of the world. Judge Hand declared that an American ship is American territory and hence is subject to the Prohibition Act. Following possible complications that might arise from the British law requiring all ships to carry a stock of brandy in case of emergency or sickness, Judge Hand granted a stay in the enforcement of the ruling for American ships west-bound from England.

### 1947: Writer Protests

WASHINGTON — Capitol police removed movie script writer John Howard Lawson from the witness stand at today's [Oct. 27] hearing of the un-American Activities Committee of the House when he refused to tell the committee whether he was a Communist. Mr. Lawson told the committee that it was "beyond its power" to question him on his political and other beliefs. Disregarding a warning by Committee Chairman J. Parnell Thomas that he must insist on orderly procedure, Mr. Lawson shouted into the microphone that he would answer questions "the way I want to."

Herald INTERNATIONAL Tribune

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# OPINION/LETTERS

## Mideast Summit Prompts Diplomatic Migraines

By Thomas L. Friedman

DOHA, Qatar — There is a vicious, and I mean vicious, diplomatic war going on here over who will and who will not attend the Nov. 16 Middle East economic summit, which for the last three years has brought Arab and Israeli business elites together.

This year's summit meeting is being hosted by Qatar, the gutsy, progressive little Gulf oil state off the east coast of Saudi Arabia. Israel is coming. The U.S. secretary of state is coming, but virtually every Arab leader is wavering. Here are my predictions for who will show.

Syria has mounted an all-out diplomatic offensive against the summit, saying that there should be no more Arab normalization with Israel until Syria gets the Golan Heights back.

The Syrians, who follow the "Godfather" school of diplomacy, have been trying to intimidate the Qataris into canceling the summit, telling them that it could be "dangerous" for Qatar. The Syrians stopped just short of threatening Qatar that if the meeting is held, a Qatari diplomat somewhere will be found in the trunk of his car with a Syrian dime on his chest. Syria: A definite no-show.

The Syrians have already told the Kuwaitis that Syria is opening its border with Iraq for more commerce, because Syria is tired of Jordan getting all of Baghdad's business. But if Kuwait goes to the summit, the Syrians say they will feed the Iraqi wolf even more.

And since Kuwait is Little Red Riding Hood to Iraq, such a threat can't be ignored. Kuwait is in a quandary: Go to Qatar, and Syria, the best Arab counterweight to Iraq, will tilt more toward Baghdad. Don't go, and Kuwait's U.S. protectors will be furious. Kuwait: Agonizingly undecided.

Sheikh Zayed ibn Sultan an Nahayan, leader of the UAE, won't even acknowledge his summit invitation. This is because at the 1995 Gulf Cooperation Council summit in Oman, Emir Hamad ibn Khalifa Thani of Qatar came expecting to have a Qatari diplomat named as the next secretary-general of the GCC. It was Qatar's turn.

The Saudis, though, who hate the Qataris, rigged the meeting so that Qatar got nothing. The emir stalked out, and when Sheikh Zayed tried to placate him, the emir lambasted the UAE leader for not giving Qatar its due. Sheikh Zayed hasn't spoken to the emir since. UAE: Have a nice summit without us.

Qatar and Egypt don't like each other. Qatar recently slashed the Egyptian labor force here from 65,000 to 30,000, and Qatar suspects that Egypt, along with Saudi Arabia, was supporting the old emir of Qatar when he attempted a coup against his son, the present emir, in February 1996.

The Egyptians would love to see Doha fail, because it would further isolate Benjamin Netanyahu, embarrass Qatar and be popular on the Egyptian street. A trifecta. But Egypt can't stay away without risking its U.S. aid. Egypt: Will attend, but will send the doorman from the Ministry of Economy.

The Saudis view the Qataris as upstart little cousins who don't know their place. The Qataris have annoyed the Saudis to no end by allowing women here to drive, by lifting government censorship of the media, by vowing to give their women the vote and by dealing openly with Israel.

The Saudis would love for the summit to blow up in Qatar's face, but they don't want to embarrass the United States. Saudi Arabia: Will attend, but will send its third deputy assistant undersecretary for waste management.

Jordan will come, if only to spite Syria. But don't seat the Jordanians next to the Israelis.

The poor Bahrainis. They are the only ones smaller than Qatar, and they have the Iranian wolf at their door. The Bahraini view of the world is: "For years we counted on Saudi Arabia to protect us. But the Gulf War showed us that the Saudis can't protect themselves, and ever since the war the Saudis seem to be losing internal control at home. Therefore, only the U.S. can protect us."

So Bahrain has let America set up a naval base in its harbor. No wonder a U.S. diplomat told me that whenever the leader of the Arab Gulf state he serves in sees him, that leader asks for the latest total of Americans living in his country. "Whenever the number hasn't gone up, he's disappointed," the diplomat said. Bahrain: Definitely coming — just seat us next to Madeleine Albright.

*The New York Times.*

## LETTERS TO THE EDITOR

### Hungary and NATO

*Regarding "The Duty of Democracies, or Why Hungary Belongs in NATO" (Opinion, Oct. 1) by Peter Nadas:*

We feel it necessary to correct some misconceptions in Mr. Nadas's essay. He gives the impression that Hungary's debate on joining NATO is taking place under democratic conditions; as if the population were being fairly provided with all the necessary information with which to make an informed choice in the referendum on Nov. 16. This is not the case.

Hungary's political parties are using the NATO issue as a tool with which to enhance their own prestige. They speak about NATO as if it were not a military alliance and are silent about the burdens of rearming and the harm that may result in relations with our neighbors. They underestimate the negative impact of NATO enlargement and exaggerate the positive impact.

Joining the Atlantic alliance would indeed be a symbolic act of entering Europe. But Hungary is a country without enemies and without any desire to participate in an arms race. Our interest is in avoiding war and the installation of weapons of mass destruction, whether nuclear or nonnuclear in origin, whether installed in the name of defense or offense.

One consequence of 40 years of dictatorship is that the population is easily influenced by the political elite. While institutions of representative democracy have been established, we need more time to establish a civil society and a real democracy.

From the very start, the government and the opposition parties in Parliament have monopolized the discussion on joining NATO. There has been no real debate ahead of the referendum. Instead there has been a steady stream of statements from the government claiming that if Hungary fails to join, the political and economic achievements of recent years will be lost.

Views critical of joining NATO are silenced. Those who would rather turn the country's resources to social welfare are stigmatized as extremists.

Instead of defense guarantees we need economic guarantees. Instead of friction with our neighbors we need closer trade ties. We now live in a world without poles or ideologies of mass destruction. We believe that the expansion of a military organization is not the best step in the direction of peace.

TAMAS CSAPODY and
LASZLO VIT.
Budapest.

*The writers are authors of a book on NATO membership recently published in Hungary.*

### Grill the Banks

*Regarding "Lawmakers Grill Bank of France on Rate Moves" (Finance, Oct. 22):*

The hearings called by the French Parliament on the recent increase in interest rates by the Bank of France need not "undermine the bank's independence," as economists reportedly warned. Nor is it fair of economists to say that the chairman of Parliament's finance committee, Henri Emmanuelli, "doesn't seem to have accepted the independence of the Bank of France."

Independence does not mean lack of accountability. Central banks have become a fourth branch of government. Their powers, for good or ill, are enormous. They are accountable to the people — of whose monies they are the custodians.

If central bankers are unable or unwilling to show that they are legitimate recipients of the public trust by facing up to "grilling" by the people's elected representatives, then they should seek other employment.

It is a good and healthy sign that the French Parliament is exercising oversight. Let us hope that other national parliaments — and eventually the European Parliament — follow the French lead.

JOHN E. RAY.
Fontenay-Trésigny, France.

## From the 'Mommy Wars,' A Cruel Air Campaign

By Ellen Goodman

BOSTON — I shouldn't be doing this. Listening to angry voices on talk radio — sopranos and altos this time — isn't a good way to sustain my belief in even the skim milk of human kindness.

A 19-year-old British au pair named Louise Woodward stands accused in a Cambridge, Massachusetts, courtroom of shaking

**MEANWHILE**

and slamming an 8-month-old baby to death. The boy's parents, Deborah and Sunil Eappen, have described in wrenching detail what it was like to say good-bye to their son before he was removed from life support.

But over the airwaves, a caller says angrily, "I think she's guilty of manslaughter." The "she" is the baby's mother.

Another woman finds this working mother guilty merely of neglect, not manslaughter. "The kid comes first," she says. "Bottom line. End of story."

Finally someone suggests (does this level of malevolence exist in the world?) that the Eappens got what they deserved: "Apparently the parents didn't want a kid. And now they don't have a kid." A dead baby is proper punishment — an eye for an eye — for a mother not at home.

As a battle-weary correspondent from the front lines of the mommy wars, I shouldn't be surprised. I know how the battle lines are drawn. In America, half the mothers of infants are in the work force and half are at home. Many on both sides have hunkered down defensively in their trenches.

This "nanny case" is being broadcast across the nation as a cautionary tale, a horror story about what can happen when you leave your child in someone else's care.

How long ago was it that the scary tales were about sexual abuse in day-care centers? Now it's death at home with the nanny. Maybe that fits the times when skirmishes in the mommy wars can sound so much like class warfare.

What is the subtext of this case about a two-career couple who hired a British teenager to care for their two sons? Deborah and Sunil Eappen are invariably described as "doctors" with all that implies, and I do not mean caring for others. "Doctor" in this story is rather a synonym for status and wealth.

It is the M.D. that riles the callers. They have targeted this mother as a driven professional, an uppity "career woman" who didn't "have" to work.

The fact that the Eappens don't fit the stereotype is irrelevant. Fresh out of training and deep in debt, Deborah chose what her peers would call a medical mommy track. An ophthalmologist who worked three days a week, she described her life as a "juggling act" structured for balance.

But even this woman didn't fit between the narrow lines of Good Mother that gets our cultural seal of approval.

Consider, if you will, two coexisting and conflicting images of the Good Mother today. On one side of the tracks, the maternal role model of the moment is the high-powered professional woman, like the PepsiCo chief executive Brenda Barnes, who chucks it all to be with the kids. On the other side, the role model of the moment is the welfare mother who leaves her children for the work force.

There is no child care good enough to justify the working mother staying in the corner office. There is no child care poor enough to justify the welfare mother staying at home.

The nanny trial in Cambridge competed last Thursday with a White House child care conference that offered depressing details of inadequate care and the desultory "hope" expressed by Hillary Clinton that it would "create some grassroots, bottom-up concern."

What of this concern? Stephanie Coontz, a family historian and author of "The Way We Really Are," asl ., "How much longer will we pretend that individual women will be able to cobble together these personal solutions to a major social problem while we continue to slap them across the face every time they fail?"

Deborah and Sunil Eappen have lost their son. Surely they are too numb to feel the slap across the face. But what a different country this would be if angry, blaming voices mellowed into a chorus that understood: "There but for the grace of God go I."

*The Boston Globe*


# WHEN IT COMES TO CONTROLLING EBOLA, WE'RE THIS CLOSE.

Photo: Marc Tanis

Last year, when an ebola outbreak terrorized Zaire, we were right on top of it. A risky position at best, since diagnosis requires testing infected blood, the very thing that transmits the disease.

There is little protection from hemorrhagic diseases like dengue, yellow fever and ebola, and apart from intravenous fluids to discourage dehydration, no treatment. Over half of those who contract ebola die.

And yet, by isolating and containing the spread of this potential scourge, we've come a long way: for now at least, ebola lies dormant.

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# The Real Culprit in the Asian Stock Collapse: A Bull Market in Hubris

By David E. Sanger
*New York Times Service*

When the history of the Asian plunge of 1997 is written years from now, people will probably have long since forgotten the accusation by Prime Minister Mahathir bin Mohamad of Malaysia, that the source of the problem was a Jewish conspiracy to level Asia's booming economies.

By then it should be clear whether Senator Alfonse D'Amato, Republican of New York and chairman of the Banking Committee, was accurate when he declared that the dramatic fall of the Hong Kong market Thursday was a "lesson for all freedom-loving people around the world" of the dangers "now that the Communist Chinese have taken over" Asia's most vibrant center of capitalism.

By then, historians may have concluded that John Kenneth Galbraith's diagnosis was closer to the truth, even though he was talking about the causes of the market crash of 1929.

Then, too, there was a search for conspiracies and plotters. But in the end, Mr. Galbraith concluded, the real cause was a delusional hubris about America's economic power, fueled "by the seminal lunacy which has always seized people who are seized in turn with the notion that they can become very rich."

There has been a lot of that hubris in Southeast Asia for the better part of a

**NEWS ANALYSIS**

decade now, and it has led a lot of very smart people, investing cash drawn from around the globe, to do a lot of stupid things.

With every book titled "Asia Rising," with every news article projecting stupendous economic growth, with every talk show about the decline of the West, the markets climbed higher.

Virtually everyone playing in the markets knew that the banks in Thailand were lending money for office towers no one was actually occupying. They knew that Malaysia was building a Silicon Valley long before it had trained engineers to fill it. They knew that investors in Hong Kong were lining up to buy shares in "red chips," mainland Chinese firms whose only real asset was that the company's president was the cousin of someone in the Chinese leadership.

But when the market keeps rising, when your broker keeps repeating that the next century belongs to the Asian Tigers, it is easy to justify pouring in more and more cash.

That is why the first victim claimed by the currency speculators, Thailand, never had a chance. The Thais had become the weakest link in the chain, forever finding excuses not to carry out the austerity measures that were desperately needed, like closing more than 50 banks linked to prominent politicians.

"These guys are in a state of shock," Lee Kuan Yew, the founder of modern Singapore, said recently. "They can't believe it happened to them. They thought only sleepy Latin Americans had currency crises."

Then other countries throughout the region began explaining why they were different from Thailand — more disciplined, less corrupt, better regulated. It was a little like listening to a New Yorker explain to himself why the mugging that just occurred three blocks away could not happen in front of his own building.

In this case, the muggers were emboldened. Speculators make their fortunes sniffing out hidden inconsistencies between the value of a currency (or a sky-high stock market) and the underlying fundamental strengths of the country. Then they plunge into that chasm, betting billions against the local currency or stocks and forcing the government to choose between preserving the exchange rate (usually by jacking up interest rates) and saving the economy.

Once Thailand surrendered, calling in the International Monetary Fund for a bailout, Malaysia and Indonesia were next. The Malaysians fought back, although Mr. Mahathir was forced to kill off his expensive pet projects; the Indonesians surrendered.

What happened in Hong Kong last week, though, was something completely different. Malaysia and Thailand are still fundamentally poor nations; Hong Kong, while tiny, has a per capita gross national product that rivals that of the United States. Its markets are the biggest south of Tokyo.

It has long been the West's idea of a model economy for the rest of Asia — no trade barriers, little corruption, well-funded banks, a government with plenty of financial reserves to battle the speculators.

So why did the speculators attack? Because once everyone else in Southeast Asia devalued their currencies, making their goods cheaper, Hong Kong suddenly looked like a phenomenally high-cost place to do business. (Just count the empty hotel rooms.)

While the government spent $3 billion to $5 billion battling the speculators, the prospect of a long siege wiped out a lot of that remaining hubris.

Robert Rubin, the U.S. Treasury secretary and a man who knows from his long years on Wall Street what it feels like to be on the wrong side of a bear market, said, "Markets go up and markets go down," and sooner or later Asia will rise again.

The big question is what happens to the man who cannot wait: President Jiang Zemin of China.

Mr. Jiang, who arrived in the United States on Sunday to begin a weeklong state visit, has staked his political future on his ability to bring the Chinese economy into the 21st century.

That means closing hundreds of thousands of state-owned enterprises that lose billions of dollars a year and turning the survivors into world-class competitors.

The problem is that to do so requires billions of dollars in capital. Much of it was going to come from China's new pearl, Hong Kong.

"Hey, they wanted to take back the center of Asian capitalism," the American head of a large brokerage in Hong Kong said Friday morning. "Well, here it is. All his."

# Menem Policy Rebuffed as Peronists Lose Their Majority

By Anthony Faiola
*Washington Post Service*

BUENOS AIRES — Argentine voters have sent an angry message to President Carlos Menem's governing Peronist party in national legislative elections, depriving the government of its majority in the lower house of Congress.

About half the seats in the 257-member house were up for election, and Peronist losses came mostly at the hands of a new opposition group known as The Alliance. Formed last summer by the leftist Front for a Country in Solidarity and the center-right Radical Civic Union, The Alliance relied on a strong anti-corruption platform in its campaign against the long-dominant Peronists, who have presided over free-market moves and an economic boom.

The government said Monday that The Alliance had won 45.7 percent of the votes with 98 percent of ballots counted. The Peronists won 36.2 percent, reducing their seats in the lower house to 118. The Alliance will hold 110 seats, leaving the balance of power in the hands of smaller parties.

The results constitute the first major electoral setback in eight years for the Peronists, whose name and legacy derive from the rule of President Juan Peron.

The powerful opposition showing was widely interpreted here as a sign that Argentines have grown intolerant of widespread corruption, especially in the judicial system and the police force, and that they view Mr. Menem's Peronists as complacent.

"The people said today that corruption is not a small problem, that it is endured by every segment of this society," said Carlos Alvarez, an Alliance candidate who won a landslide victory for a key seat here in the capital. "The people don't want a dishonest government in Argentina any longer."

The vote also appeared to be a reflection of public restlessness with negative effects of the Peronists' free-market economic measures, which were part of a trend toward the removal of economic controls throughout Latin America. While Mr. Menem's moves have ended hyperinflation, generated a booming economy and improved basic services, they also have promoted high unemployment, with workers being laid off as government-owned companies are privatized.

Mr. Menem, in a speech recorded before the polls closed nationwide and which indicated he knew early the Peronists would suffer a defeat, issued a defense of his party's accomplishments to a national television audience. The visibly agitated president also told Argentines that he had grown "less impatient and more understanding," but that he would remain a strong president and defend Peronism "until the last minute of the last hour of the last day of my term in office."

The electoral blow to the government, especially in some regions where Mr. Menem's party was thought unbeatable, was seen by analysts as posing significant hurdles for the Peronists as the 1999 presidential race approaches.

The most telling Peronist defeat occurred in the province of Buenos Aires, home of Mr. Menem's anointed successor, Governor Eduardo Duhalde. His wife, Hilda Duhalde, was trounced by an Alliance candidate, Gracie Fernandez Meijide, a blunt-talking populist whose son was killed by the country's military regime of the 1970s. Analysts said her victory in the high-profile district positioned her as a major presidential candidate while severely dampening Mr. Duhalde's chances.

"The defeat of the Peronists means that their automatic successor to be president has completely lost" his momentum, Eduardo van der Kooy, a political analyst, told Argentine television. "It changes everything."

Although The Alliance has promised to slow Mr. Menem's rapid pace of privatization and make job creation a primary goal, it has clearly said it would not back away from free-market reforms. Its leaders reinforced Argentines' right to "economic freedom" from the state during its victory press conference, which took place as thousands of Alliance supporters, waving flags and chanting slogans, rallied in the heart of Buenos Aires.

Agence France-Presse

Gordon Brown, chancellor of the Exchequer, outlining monetary policy Monday in the House of Commons.

# BRITAIN: *Participation in Single Currency Put Off 4 to 5 Years*

Continued from Page 1

pound, interpreting the news as spelling a longer delay until British interest rates decline to the levels prevailing in Germany.

"It's clear that early entry to EMU has been ruled out, and there's still uncertainty as to when sterling will enter," said Nick Stamenkovic, an economist at DKB International.

The pound rose to 2.9175 Deutsche marks from 2.9053 on Friday. The yield on the government's benchmark 10-year bond ended the day nearly 1.10 percentage points higher than similar German bonds. Last week, the difference was less than 1.0 point.

Most financial analysts said Mr. Brown's statement should end the recent market obsession with the single currency and put the focus back on the economy. The economy has been growing at a rate of nearly 4 percent this year, and most analysts expect the Bank of England to raise interest rates by a quarter point next week, to 7.25 percent, to cool that growth rate.

The Confederation of British Industry, which favors the single currency as a means of lowering interest rates and ending exchange-rate uncertainty, welcomed Mr. Brown's eventual commitment to monetary union but regretted his decision to rule out entry before 2001.

In his statement, Mr. Brown said the question of whether to enter monetary union was "the most important this country is likely to face in our generation." The answer, he said, rested with the business cycle. With Britain now in the sixth year of economic expansion and interest rates nearly 4 percentage points higher than in France and Germany, Mr. Brown said the country's economy was too far out of line with the more-subdued Continent to seek early membership.

But he said Britain would seek to put itself in a position to join early in the life of the next Parliament, which must begin by the year 2002, by striving to maintain low inflation and steady growth. He also promised to work with business on technical preparations and noted that some leading companies, such as the retailer Marks & Spencer, were planning to accept the euro alongside the pound as payment after 2002, when euro notes and coins go into circulation.

Aside from the economics of the euro, Mr. Brown came in for a roasting in the parliamentary debate over allegations that he and his team of advisers had misled the public and financial markets with conflicting leaks about the government's stance.

"The dither, dodge and denial of the last three weeks have been a roller-coaster ride on the stock market which has wiped billions of pounds off pensioners' savings," Mr. Lilley said.

# HONG KONG: *Plunge Shakes Markets*

Continued from Page 1

In Hong Kong, investors are worried about the high interest rates being used to defend the local currency, a strategy bound to take a heavy toll on corporate earnings. Nikko Securities has forecast earnings growth for the next fiscal year of 5 percent, compared with a forecast of 19 percent for this year, Reuters reported. "The earnings picture for 1998 is shot down completely," said Andrew Fernow, director of research at Vickers Ballas.

But investors are also concerned that the defense of the Hong Kong dollar, fixed since 1983 to the U.S. dollar and currently pegged at 7.80 to 1, may not in the end be successful. Stocks that may look cheap for a foreign buyer now would seem less of a bargain if the Hong Kong dollar were to drop sharply in value.

So far, among the greatest fears expressed over the breaking of the currency peg has been that it would induce capital flight. Yet with no capital controls, Hong Kong residents are now free to change their money into foreign currency and send it overseas. The major unanswered question is: How much of the selling of Hong Kong dollars in the past week has been done by speculators, as is claimed publicly by the government, and how much by individuals?

"There is capital flight right now," said one economist, explaining that the Hong Kong Monetary Authority had told him in a private briefing on Friday that the territory's money supply was dropping.

Commenting on the continued downward pressure on Southeast Asian currencies, Rob Gvozden, an economist with Lehman Brothers, said, "Capital flight following a depreciation, or devaluation in Hong Kong's case, is very much closing the barn door after the horse has left, but recent history shows us that this happens anyway."

The Hong Kong Monetary Authority, which acts as a central bank, gave its latest figures on bank deposits by currency as of August. There will be no way to tell for certain to what extent local deposits are now being converted to foreign currency until December, when the statistics for this week are to be made public.

If capital flight poses a worry, so do the effects of prolonged uncertainty stemming from the struggle to keep the currency peg in place. For the first time, some brokerages are complaining that the Hong Kong Monetary Authority is mismanaging its fight to maintain the peg.

Last week, in an effort to make it prohibitively expensive for speculators to borrow Hong Kong dollars for the purpose of selling them, the monetary authority drove interest rates up as high as 300 percent. Economists keen to see the peg survive applauded this, and Hong Kong's chief executive, Tung Chee-hwa, said that stock market investors would have little choice but to bear the consequences.

But on Friday and again Monday, the monetary authority pumped more money into the system, bringing the overnight interest rate banks charge each other down to less than 8 percent from 12 percent on Friday. The overnight rate had been as high as 150 percent Thursday.

Critics complain that it is now reasonably cheap for speculators to get their hands on Hong Kong dollars, and say the lower rates are the result of the government's desire to protect the peg without hitting the stock market too heavily.

"The HKMA is robbing the Hong Kong dollar of its own credibility," one economist with a regional brokerage said. "It's entering the money market trying to cap the rise in interbank rates, and that's precipitating a currency crisis."

"They should either leave rates at 300 percent or abandon the whole charade," the economist said, adding that the government's changing policy is damaging confidence in Hong Kong as a well-run financial center.

Another economist from a European brokerage added: "On Thursday they handled it very well indeed. They destroyed forex market. But then after lunch Friday they dribbled money in to stop appreciation of the currency," causing interest rates to drop.

The prognosis for Hong Kong is not unanimously gloomy, by any means. Many analysts profess their faith that the government will uphold the value of the peg at a wholly sustainable cost.

"The equity market is essentially where it was last November, so I don't see a big deal here," said Ajay Kapur, a strategist with UBS. "I'm a bit aghast at the doomsday scenarios coming out of the woodwork."

Another consequence of a broken Hong Kong peg, little discussed so far, would be that such a break might force a premature devaluation of mainland China's currency, the yuan. Since the largest pool of investors in China are Hong Kong residents, a weaker Hong Kong dollar would make low-cost China seem a lot more expensive, especially compared with alternative investment opportunities in such countries as Indonesia or Thailand, which have seen their currencies depreciate by more than 40 percent since July.

# COMPUTERS: *U.S. Investigates Clandestine Russian Purchase of High-Powered IBMs*

Continued from Page 1

that arose during negotiations over a total ban on nuclear tests.

Russia signed the test-ban accord in September 1996, handing President Bill Clinton an election-year triumph.

But Russian officials now insist that they were the victims of a diplomatic bait-and-switch maneuver, and that they were enticed to sign the deal with hints that they could later buy high-performance computers from the United States. U.S. officials assert that they made no such offer. In the absence of testing, computer simulations are one of the main ways of telling if nuclear weapons will work as designed.

"We never promised to provide these kinds of computers," said James Rubin, the State Department spokesman, adding that the United States had been trying since December 1995 to dispel Moscow's mistaken impression.

The computers would help Russia do research on nuclear and conventional arms. But U.S. experts say they would not enable it to develop new types of nuclear weapons without additional testing.

IBM, for its part, saw the legal sale of computers to the weapons labs as a steppingstone into the potentially lucrative Russian market. Civilian customers in Russia are permitted to buy some high-performance computers without a license. But U.S. laws bar the sale of any computer, regardless of capacity, to a nuclear-weapons installation in Russia without prior federal approval. The government can bring a criminal case if it believes it can prove that a person or company knowingly shipped equipment without a required license.

The issue has disturbed relations, with the United States insisting that Russia return any computers acquired illicitly for Arzamas-16 and a second nuclear design center. Russian officials, for their part, are warning that the test-ban treaty might not be ratified by Parliament.

Russia has offered to move the computers from the nuclear laboratories to civilian locations, and the United States has told the Russians that this might be acceptable, provided there is a way to monitor how they are used. But Moscow has refused to let U.S. investigators interview any Russian witnesses in the case, citing national security.

The Russian Ministry of Atomic Energy, known as Minatom, has disclosed that it had acquired advanced U.S. computers this year, but has not revealed all the purchases.

Interviews with U.S. officials and executives indicate that Russia purchased three shipments of computers. Russia, as previously disclosed, arranged the purchase of a high-performance computer system from Silicon Graphics of California. It is now at the nuclear design center at Chelyabinsk. Russia also purchased a high-performance computer from IBM whose whereabouts are not clear.

**Russian officials saw the Clinton letter as an coded invitation to buy U.S. high-performance computers.**

The third shipment is only now coming to light: the sale of 16 IBM computers to the Arzamas-16 nuclear complex, the Russian equivalent of the U.S. nuclear laboratory in Los Alamos, New Mexico. Although the machines individually are not among the most powerful made by IBM, U.S. officials are concerned because the units can form a potent computer if linked together.

The sale of high-powered computers has stirred anxiety in Congress, prompting many lawmakers to try to tighten supercomputer export controls, which were relaxed by Mr. Clinton in 1995.

The congressional efforts have alarmed U.S. computer companies, which say they are trying to adhere to export controls. An IBM spokesman, Fred McNeese, although declining to comment on the grand jury investigation, said that the company had "fully cooperated" and intended to keep its "excellent reputation for its efforts to comply with United States export controls."

Silicon Graphics says it, too, has complied with export controls.

After trying for a long period to gain U.S. approval for the computer purchase and being told no, the Russians arranged the deal for the 16 IBM computers on their own. The computers were shipped from IBM's offices in Germany to Amsterdam and then to Russia, and officials there are unrepentant.

The dispute over the computers has its roots in 1995, when U.S. negotiators were pressing Russian officials to join the nuclear test ban. U.S. officials had their doubts about the test ban but were willing to go ahead, provided that the Clinton administration set up a multibillion-dollar program to build huge computers that could simulate the nuclear tests.

Russia, which has far less advanced computers, was reluctant to accept a ban and proposed an exemption that would permit small detonations. Nuclear weapons are the country's main claim to superpower status. Moving to assuage the Russians' qualms, Mr. Clinton sent President Boris Yeltsin a letter on Aug. 11, 1995, that offered broader technical cooperation and collaboration with U.S. nuclear laboratories. Russian officials saw this as an invitation, in the coded language of diplomacy, to buy U.S. high-performance computers.

Pulling out a copy of the letter, which is still classified secret by the U.S. government, Lev Ryabev, first deputy minister for Minatom, acknowledged that Mr. Clinton had not explicitly promised to sell supercomputers. But Russian officials, he said, believed that the document clearly "implied the exchange of those technologies."

Administration officials assert that the Russians read too much into Mr. Clinton's words. Michael McCurry, the White House spokesman, said that when U.S. and Russian negotiators met in London in December 1995 to follow up on the letter, U.S. diplomats tried to "disabuse" the Russians of their hopes. The message was not received, and the Russians moved ahead with plans to buy computers for Arzamas-16.

A courtship ensued as U.S. manufacturers, from Hewlett-Packard to Cray to IBM, scrambled for the contract. The commercial stakes were high. A sale to the Arzamas-16 center could influence other Russian buyers.

"IBM was very pushy," said Yevgeni Shablygin, head of Jet InfoSystems, the Moscow computer dealer that was arranging the deal. "They thought Arzamas could be like Los Alamos, a very prestigious customer. That's what this job was all about."

Acting on behalf of the Russians, IBM submitted license applications for sales to Russia's nuclear laboratories, as did Hewlett-Packard. IBM listed Jet Info as its middleman. Turning to the clandestine methods that had served the old Soviet Union well in its quest for Western technology, Russia set out in the autumn of 1996 to get what computers it could on the black market, using a different middleman.

The American companies had applied for licenses to export computers to the nuclear-weapons labs in 1995 and 1996, saying they would be used for research on environmental problems including nuclear pollution. The Clinton administration rebuffed the requests. And so the head of Minatom, Viktor Mikhailov, turned up the heat with a blunt letter to Hazel O'Leary, then secretary of energy.

He wrote on July 8, 1996, that Russia needed the high-performance computers to simulate the effect of a test ban on "nuclear ammunition." That reference surprised U.S. officials because it contradicted the earlier claim that the computers were for environmental research.

In her reply a month later, Mrs. O'Leary noted that most of the requests for export licenses had already been withdrawn in the face of U.S. resistance. The United States, she said, was still actively considering two requests, one for an advanced IBM system sought by Arzamas-16 and Chelyabinsk-70, the nuclear-weapons laboratories.

"Approving the export for nuclear-weapons-related work is unprecedented and potentially controversial," Mrs. O'Leary wrote, "and it will require additional policy consideration." The Russians took this as an invitation to redefine their request. But Mr. Mikhailov also said Russia hoped to buy an even more powerful computer, "to solve problems involved with safe operation and confirmation of the reliability of and the preservation of Russia's nuclear stockpile" under a test ban.

He said Russia had "no intention to use these supercomputers to improve or develop nuclear munitions."

The issue had U.S. political implications. Selling the computers would have smoothed relations with Moscow. But it also would have opened the administration to attacks from conservative Republicans during an election year.

In September 1996, Mr. Yeltsin signed the test-ban treaty. A few months later, after repeated requests from the Russian Embassy in Washington, the State Department's bureau of political military affairs wrote a letter saying the sale was not in the cards.

## U.S. Couple Adopts Imprisoned Israeli

*Reuters*

WASHINGTON — A retired American couple has legally adopted Mordechai Vanunu, the former Israeli nuclear technician who exposed Israel's secret nuclear weapons program.

A judge in St. Paul, Minnesota, signed the adoption decree Friday, making Nicholas and Mary Eoloff Mr. Vanunu's parents by adoption, Mr. Eoloff confirmed Monday.

Mr. Vanunu, 43, who is in solitary confinement in Israel in the 11th year of an 18-year jail sentence, agreed to the arrangement in January through his brother, Asher. The Eoloffs have been active in the campaign for Mr. Vanunu's release. Mr. Eoloff suggested that adoption might be a way to secure his release and obtain U.S. citizenship for him.

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# The Real Thing: Celebrating Africa's Design Heritage

Christopher Moore

*Tribal patterns, and African textiles and jewelry from the "African Mosaique" Paris show, included clothing from the Masai, Nigeria, Somalia and Gabon. Below center, John Galliano's take on tribal African jewelry at Dior.*

By Suzy Menkes
*International Herald Tribune*

PARIS — A fest of vivid color and bold print whirled down the runway — majestic headdresses, cascades of beads, blanket-striped wraps, clothes with dense patterns or arabesques of embroidery, feet in fancy slippers or woven sandals.

Just another of those costume-party collections that make fab pictures for the catwalk photographers and promote perfume sales?

No. The show that closed the Paris fashion season was a humbling experience. For instead of Western designer creations given an ethnic spin, "African Mosaique" was the real tribal thing. Conceived as a celebration of Africa's rich heritage of dress and adornment, and shown as a benefit for the children of Ethiopia, it outshone many of the big-budget high fashion presentations.

How many of the catwalk shows during the international season could demonstrate such diversity of shapes and decoration — or such power in color? Could modern fabric technology create such extraordinary materials, handwoven with the texture of tree bark or crackled with batik patterns? Even the couturier's asymmetric cutting and seaming appears tortured compared to the graceful effects achieved by wraps and ties.

Above all, at a time when Western fashion seems to have reached an impasse on its stony road to the future, traditional African clothing seems to have a point and a purpose, expressing symbolically the culture and the ideals of a society and passing them on to the next generation.

"People say that fashion is frivolous, but this is about clothing as identity," said Frederic Mitterrand, the French television presenter who introduced the show at the Carrousel du Louvre.

"African Mosaique" was originally planned as part of an exhibition devoted to African art shown at the Guggenheim Museum in New York last year. But it has now developed as a traveling fashion show that will have a repeat performance in New York in April, go to Washington's Kennedy Center in May and reach South Africa in 2000.

"The idea is to show the variety of design inspirations from the African continent, and since Paris is the crossroads of influences from round the world, it is fitting that we should be here," said Mil Niepold, one of the show's New York founders.

The presentation tends to change character with each city. The French colonial connections with North Africa, currently in turmoil, put a focus on that area at the Paris show, which featured not only the embroidered robes and decorated skin of Algeria, Morocco and Tunisia, but also the haunting music of Beihdja Rahal, an Algerian singer.

The Paris-based Katoucha, a Senegalese model turned designer, was one of four modern creators to have their works on stage. But whereas previous productions of "African Mosaique" had shown ethnic inspirations of Western designers like Yves Saint Laurent and Christian Lacroix, this Paris show featured only African design — much of it rare pieces dating back 200 or 300 years.

"We wanted to do something traditional with a lot of tribal clothing to show the diversity and richness of our own culture — with African designers who have been inspired today by Africa's creativity and crafts," said Anna Getaneh, an international model who became the fashion coordinator and fund-raiser for "African Mosaique" after a compassionate visit to her native Ethiopia.

The most poignant message from the Paris show was about the nobility of adornment, from the intense decoration of Masai beading through the abstract body markings from the Ivory Coast. Even devoid of its ritual and symbolic meaning, African jewelry is aesthetically appealing. So are the fabric patterns: the palm-leaf motifs from Somalia; Mali's graphic lines and dots; the naive scenic friezes from South Africa.

For modern fashion, groping for a way forward from minimalism without added embellishment, an impressive lesson can be drawn from African fabrics — like the simple, tent-like robe from Cameroon, its pale surface given the dry, grainy texture of parchment.

The problem for modern African designers is what to distill from their heritage without turning fashion into fancy dress.

"I am an African, so it is a passion for me to take the best fabric and bring my background to it," said the New York designer Abraham, of Liberian ethnic origin, who used African masks as gilded patterns on a black ground.

"I'm for a racial mix — I am an African, but I don't want to get into a ghetto," said Katoucha, who called "African Mosaique" a "noble project."

MAYBE for African designers there is a lesson to be learned from Western designers who get the mix right. Saint Laurent, raised in North Africa, has found constant inspiration in the sun-baked colors seen through the prism of Matisse's paintings. Jean Paul Gaultier mixed the African beat of Harlem in the 1920s with today's rap music to create a fall show that was a homage to black female icons. John Galliano used the beaded Masai decoration as the inspiration for his first couture show for Dior. And in Galliano's recent show, African jewelry, abstracted to tribal circlets at neck and arms worn with a quintessentially French toile de Jouy dress, achieved the perfect Afro-classic in its modern racial mix.

## BOOKS

### THE TWO KOREAS: A Contemporary History

*By Don Oberdorfer. 472 pages. $30. Addison-Wesley.*

Reviewed by
Thomas H. Henriksen

JUST as the Korean peninsula juts out from Asia, Korea has thrust itself dramatically into our consciousness. Whether it's Korean War newsreels, 1988 Olympic game highlights from Seoul, or contemporary images from north of the 38th parallel of a regime that's a throwback to the Stalinist era, Korea is as pervasive in our media as it is in our diplomatic and military circles. Yet, except for the stationing of 37,000 U.S. troops in South Korea, the two Koreas are largely unknown to Americans.

Don Oberdorfer, a former Northeast Asia bureau chief and onetime diplomatic reporter for The Washington Post, seeks to better acquaint his readers with North and South Korea over the past half century. The historical material that forms the basis of "The Two Koreas" is riveting. Reborn after years of brutal Japanese colonialism, Korea immediately fell into U.S. and Soviet spheres in the last days of World War II. First divided by the rigidities of the Cold War, the peninsula was then plunged into a harrowing civil war that killed or wounded nearly two million people, including 54,000 Americans.

Afterward, the truce left the Land of Morning Calm not only halved by the East-West struggle but also a flash point for conflict. While North Korea is a rusting relic of communism, South Korea has become the world's 11th-largest economy and moved from dictatorship to democracy.

Oberdorfer notes South Korea's accomplishments — and its crises. What other modern country has had a president (Park Chung Hee) slain at dinner in a blaze of gunfire by the head of central intelligence, whom the president had humiliated? Fact becomes even stranger than fiction when Oberdorfer recalls as a firsthand witness that Park's wife was also shot to death in a failed attempt on the president's life five years earlier, in 1974, during a ceremony marking the 29th anniversary of the country's liberation from Japan.

The tumult of South Korean politics is surpassed by the bizarre, Stalinesque state north of the Demilitarized Zone, a 2.5-mile-wide band stretching across the peninsula. The zone represents more than just the world's most militarized frontier; it constitutes a border separating the normalcy of a democratic and economically flourishing southern state from the repression and secrecy of a starving, warfare-based northern one.

In keeping with his long journalistic focus on diplomacy, Oberdorfer delves heavily into the interchanges between Washington, Seoul, Pyongyang and, to a lesser degree, Tokyo, Beijing and Moscow. In a narrative full of diplomatic terms such as démarche and rapprochement, he provides glimpses of Korean and American politicians from his many interviews and experiences as a correspondent. These vignettes enliven the diplomatic text, as do his colorful quotes from American and Korean officials.

Although detailed, Oberdorfer's retelling of the 1993-94 nuclear crisis involving North Korean threats to develop weapons of mass destruction adds nothing new to previous accounts. But, curiously, he does not adequately probe the implications of the Geneva Agreement, signed just before the 1994 U.S. congressional elections, in which North Koreans cleverly achieved their long-sought goal of direct negotiations with Washington, bypassing the South. Oberdorfer fails to call attention to the dangerous international precedent that President Bill Clinton set by entering into an elaborate and largely unverifiable pact with a nation on the U.S. State department's list of terrorist states.

"The Two Koreas" is written from the perspective of politicians, generals and diplomats in Washington, Seoul and other capitals while often relegating Koreans to walk-on parts in their own history. But as a book accessible to the general reader, "The Two Koreas" majestically fulfills Oberdorfer's goal of drawing attention to the role outside powers have played in Korean history.

*Thomas H. Henriksen, a senior fellow and associate director of the Hoover Institution at Stanford University, wrote this for The Washington Post.*

## CHESS

By Robert Byrne

THE game between Joel Benjamin and Gregory Kaidanov shows that there are still quirky, unruly players in the ranks of the grandmasters.

It has long been debated whether the main line of the Catalan Opening, which can be seen after 7 Qc4, is effete or a real source of danger for Black. As against White's pressure on the h1-a8 diagonal with his fianchettoed bishop, there is the exposed white queen, whose discomfort might be worth a few tempos for the defense.

Benjamin's innovation, 9 Be3!?, may well supplant 9 Bf4 as a way of working against Black's standard counterattack on the white center with ...c5. It lets Black trap the white queen with 9...Bc5, but after 10 dc! Bb7 11 Qb7 Rb7 12 c6 Rb8 13 cd Nd7 14 Nd4, White has three minor pieces for it.

Benjamin said that Black's best way to handle the opening after 11 Nc3 would have been 11...Ne3 12 Qe3 cd. He further said that he had not decided how to recapture, but 13 Qd4 Qb6 14 O-O Qd4 15 Nd4 would have given a lead in development in the end game.

To avoid remaining a pawn down after 13 dc Nd5 14 Qd2 Ne3 15 Qe3, Kaidanov played 15...Qa5 16 Nd2 Qb4, but after 17 Rc1, he could not pursue the valuable c5 pawn with 17...Rc7 because 18 O-O! Bc5 19 Qe5 Bd6 20 Qg7 disorganizes the black position.

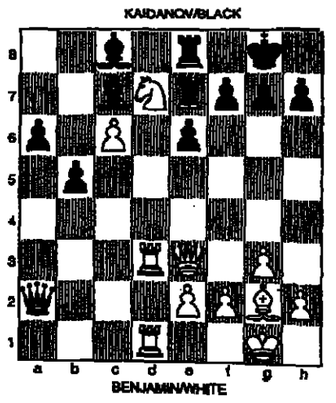
After 20...O-O, Benjamin might have played 21 Qb6 Bd8 22 Nc4! Qf6 23 Nd6. Then, if 23...e5, 24 Nc8 Rc8 25 Qa6 wins a pawn for a winning ending. He said: "I was trying to be too fancy with 21 Rb1?! The idea was to cut the queen off from the king side defense, but it was not a success."

Benjamin's 26 Nd7! prohibited 26...Bd7? in view of 27 Qc5! Bc6 28 Qe7 Bg2 29 Rd8! Bd8 30 Rd8 Qb1 31 Kg2 Qe4 32 Kh3 Qf5 33 g4!, ending all resistance. In this line, 27...Bd8 28 Rd7 Rd7 29 Rd7 Bf6 30 c7 Qa1 31 Bf1 Rc8 32 Qb6 g6 33 Qb8! is annihilating.

After 27 Qg5!, Benjamin could not have been stopped by 27...Kh8 because 28 Nf6! gf 29 Qf6 Kg8 30 Rd7! Bd731 cd Rd7 32 Rd7 Rf8 33 Rc7 is hopeless for Black.

Benjamin said he was very short of time after 37...Rf7 and therefore missed 38 Qh8! Ke7 39 Rd7 Bd7 40 Rd7 mate. After 43 Qf6, Kaidanov, facing 43...Kg8 44 Qe7!, gave up.

KAIDANOV/BLACK



BENJAMIN/WHITE

**Position after 26 ... Rfe8**

**CATALAN OPENING**

| White Benj'min | Black Kaid'nov | White Benj'min | Black Kaid'nov |
|---|---|---|---|
| 1 d4 | d5 | 22 Nb3 | Bd8 |
| 2 c4 | e6 | 23 Rd3 | Re7 |
| 3 Nf3 | Nf6 | 24 Rbd1 | Bc7 |
| 4 g3 | dc | 25 Nc5 | Qa2 |
| 5 Qa4 | Nbd7 | 26 Nd7 | Rfe8 |
| 6 Bg2 | a6 | 27 Qg5 | h6 |
| 7 Qc4 | b5 | 28 Nf8 | Kh8 |
| 8 Qc6 | Ra7 | 29 Qh4 | gf |
| 9 Be3 | Nd5 | 30 Qh8 | Kg8 |
| 10 Qc1 | c5 | 31 Rd4 | f5 |
| 11 Nc3 | Nc3 | 32 Qg5 | Kf8 |
| 12 Qc3 | Nb6 | 33 Qh6 | Kg8 |
| 13 dc | Nd5 | 34 Qg5 | Kf8 |
| 14 Qd2 | Ne3 | 35 Qf6 | Be5 |
| 15 Qe3 | Qa5 | 36 Qe5 | f6 |
| 16 Nd2 | Qb4 | 37 Qf6 | Rf7 |
| 17 Rc1 | Rc7 | 38 Qh6 | Kg8 |
| 18 0-0 | Qb2 | 39 Qg6 | Kf8 |
| 19 Rfd1 | Be7 | 40 Qh8 | Kg8 |
| 20 c6 | 0-0 | 41 Rd8 | Rfe7 |
| 21 Rb1 | Qa3 | 42 Qg6 | Kf8 |
| | | 43 Qf6 | Resigns |

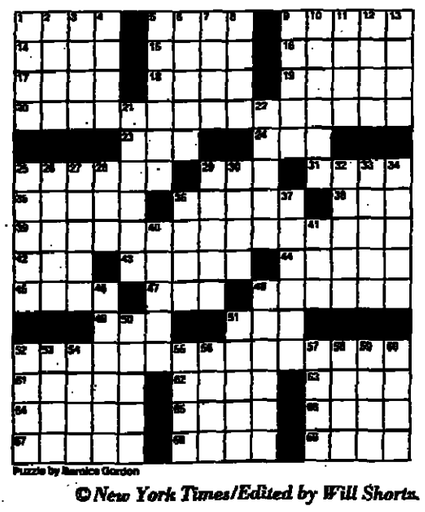
## CROSSWORD

**ACROSS**

1 Lots
5 Desert streambed
9 Tennis great Rod
14 "Are you some kind of ——?"
15 Black
16 "—— at the office"
17 Vidal's Breckinridge
18 Roar at the shore
19 Count with an orchestra
20 1989 Madonna hit
22 Churchill's sign
24 Basic college degrees
25 Summit
29 ——Jo (1988 Olympics name)
31 Mosque V.I.P.
35 Live, in a TV studio
36 Like Britain
38 Poetic palindrome
39 It may be used in minor surgery
42 *Quattro minus uno*
43 Freshman, sophomore, etc.
44 Revolving machine part
45 Reply to "Are not!"
47 I-80, e.g.: Abbr.
48 *Item in a Mexican fiesta*
49 Luau dish
51 Sound from Sandy
52 Bibliophile's treasures
61 Belief in sorcery and magic
62 *Pre-tractor* farmer's need
63 Plummet
64 "*À votre* ——!"
65 Grp. affecting gas prices
66 *Go gently (into)*
67 More correct
68 Brood
69 "Jeopardy!" host Trebek

**DOWN**

1 Charades, e.g.
2 Cameo stone
3 Pat on the back, as a baby
4 Asterisk
5 Setting for Thomas Hardy novels
6 Maltreatment
7 Boat with oars
8 Data
9 Astrologically, the thoughtful, diplomatic type
10 Tennis great Andre
11 Bouquet site
12 Sarcasticalness
13 Sailor's peril
21 Don or Phil of 50's-60's pop
22 W.W. II menace
25 Physicist Alessandro
26 Vast, old-style
27 *Regattas*
28 Spanish aunt
29 French brother
30 Minus
32 Acclaimed "Hostess with the Mostes'"
33 Unrestrained
34 Stiller's comedy partner
36 Buzzing pest
37 Savings and loan
40 Condor's home
41 Long time
46 Narcotic
48 William or Harry, e.g.
50 Word with woman or worldly
51 Take —— breath
52 Bewildered
53 Construction *support*
54 Maître d's offering
55 *Condemn*
58 Montreal player
57 Bright thought
58 Spoken
59 Winning margin, maybe
60 Glasses, in ads



Puzzle by Barnice Gordon

*© New York Times/Edited by Will Shortz*

**Solution to Puzzle of Oct. 27**

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| G | O | S | H | | C | O | M | F | Y | | D | A | T | E |
| O | B | E | Y | | A | M | O | R | E | | U | R | A | L |
| L | O | W | E | | B | I | T | E | S | | A | I | L | S |
| D | E | N | N | I | S | T | H | E | M | E | N | A | C | E |
| | | | A | N | T | | | | A | X | E | | | |
| H | A | S | | G | A | R | M | E | N | T | | A | R | T |
| A | C | C | T | | N | E | R | D | | R | E | F | E | R |
| T | H | E | A | D | D | A | M | S | F | A | M | I | L | Y |
| C | O | N | D | O | | D | O | E | R | | T | R | A | M |
| H | O | T | | G | R | E | M | L | I | N | | E | Y | E |
| | | T | I | E | | | S | E | C | | | | | |
| L | E | A | V | E | I | T | T | O | B | E | A | V | E | R |
| O | P | U | S | | G | O | A | P | E | | J | I | V | E |
| S | I | T | E | | N | O | T | R | E | | U | S | E | D |
| S | C | O | T | | S | L | A | Y | S | | N | E | R | O |

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# NYSE

## Monday's 4 P.M. Close

The 2,600 most traded stocks of the day.
Nationwide prices not reflecting late trades elsewhere.
*The Associated Press.*

### A-B-C

| 12 Month High | Low | Stock | Div | Yld | PE | Sls 100s | High | Low | Latest | Chge |
|---|---|---|---|---|---|---|---|---|---|---|
| 38⅞ | 24¼ | AAR | .48 | 1.4 | 24 | 4637 | 35⅝ | 34⅝ | 34⅝ | -1⅛ |
| 29⅝ | 15½ | ABM | .40 | 1.5 | 23 | 118 | 27 | 26⅞ | 26⅞ | -⅝ |
| 24⅞ | 18¼ | ABN Am n | .54e | 3.0 | – | 848 | 19⅛ | 18⅞ | 18⅞ | -⅞ |
| 101⅞ | 52¼ | ACE Ltd | .88 | 1.0 | 13 | 851 | 96 | 90½ | 92 | -4¼ |
| 11 | 10 | ACMIn | .90a | 8.4 | – | 633 | 10⅝ | 10⅝ | 10⅝ | -⅛ |
| 8¼ | 7 | ACM Op | .63 | 7.9 | – | 150 | 7⅞ | 7⅞ | 7⅞ | -⅛ |
| 10⅛ | 8⅝ | ACM Sc | .90 | 9.0 | – | 1402 | 10⅛ | 9⅞ | 10 | -⅛ |
| 7 | 6¼ | ACMSp | .57 | 8.9 | – | 2052 | 6½ | 6⅜ | 6⅜ | -⅛ |
| 15 | 11½ | ACMMD | 1.35 | 10.1 | – | 1950 | 14¼ | 13⅜ | 13⅜ | -1⅛ |
| 10½ | 9¼ | ACM MI | .90 | 9.1 | – | 291 | 10⅛ | 9⅞ | 9⅞ | -⅛ |
| 14⅝ | 12⅝ | ACMMu | .90 | 6.4 | – | 159 | 14⅛ | 14⅛ | 14⅛ | – |
| 24⅝ | 14 | ACNiels | – | – | 42 | 894 | 24⅛ | 22⅞ | 22⅞ | -1⅛ |
| 27½ | 16¾ | ACX Tech | – | – | – | 324 | 27 | 26½ | 26½ | -1⅛ |
| 49⅝ | 21½ | AES Cp s | – | – | 42 | 5126 | 44 | 41⅝ | 42 | -2⅛ |
| 73⅛ | 48 | AES pfT | 2.69 | 4.1 | – | 154 | 67⅞ | 66 | 66 | -1⅞ |
| 57⅞ | 37½ | AFLAC | .46 | .9 | 17 | 2295 | 51⅞ | 49⅞ | 49⅞ | -2⅛ |
| 36⅞ | 23⅛ | AGCO | .04 | .1 | 11 | 3919 | 30⅛ | 29½ | 29½ | -⅞ |
| 22 | 18¼ | AGL Res | 1.08 | 5.9 | 13 | 699 | 18⅝ | 18¼ | 18⅝ | -⅛ |
| 19⅛ | 13⅛ | AJL | 1.44 | 9.5 | – | 3371 | 16⅛ | 15 | 15⅛ | -1⅛ |
| 48⅞ | 34⅜ | AK Steel | 1.00f | 2.4 | 9 | 931 | 43⅜ | 41⅞ | 41⅞ | -2⅛ |
| 24⅛ | 20⅝ | AMLI Rs | 1.72 | 7.5 | 19 | 302 | 23¼ | 22⅞ | 22⅞ | -⅛ |
| 123⅞ | 78¼ | AMR | – | – | 11 | 5039 | 118⅛ | 110⅛ | 110½ | -8⅛ |
| 33⅞ | 18 | APL Ltd | .40 | 1.2 | 33 | 2501 | 32⅞ | 32⅛ | 32⅛ | -⅛ |
| 19⅞ | 9½ | APT Sat n | – | – | – | 583 | 16½ | 15½ | 15½ | -1⅛ |
| 51¼ | 40⅝ | ARCOCh | 2.80 | 5.6 | 44 | 774 | 50⅝ | 49⅞ | 49⅞ | -1 |
| 41 | 28⅛ | ASA Ltd | 1.20 | 4.6 | – | 1603 | 26⅞ | d25⅞ | 25⅞ | -2⅛ |
| 50⅛ | 30⅛ | AT&T | 1.32 | 2.9 | 16 | 68342 | 50⅛ | 45⅛ | 45⅛ | -5⅞ |
| 29⅝ | 18¼ | AVX Cp | .24 | .9 | 18 | 748 | 29⅞ | 26⅛ | 26⅛ | -2⅞ |
| 35¼ | 28⅛ | AXA UAP | .65p | – | – | 501 | 33⅛ | 32⅛ | 32⅛ | -1⅛ |
| 32⅛ | 10½ | Aames s | .13 | 1.2 | 6 | 7078 | 12⅝ | d10⅛ | 10⅛ | -2⅛ |
| 68⅞ | 49⅞ | AbtLab | 1.08 | 1.9 | 22 | 15013 | 61⅞ | 58⅛ | 58⅛ | -3⅛ |
| 31 | 12½ | AberFitch | – | – | 38 | 799 | 23⅞ | 21⅛ | 21⅞ | -1⅞ |
| 21 | 13¼ | AbtIbi g | .40 | – | – | 584 | 15⅛ | 14⅛ | 14⅛ | -1⅛ |
| 28⅛ | 17⅛ | Acptins | – | – | 13 | 210 | 20⅜ | 20⅛ | 20⅛ | -⅞ |
| 32 | 15¼ | AccuStff | – | – | 29 | 5634 | 26 | 24 | 24 | -2¼ |

[illegible]

Continued on Page 16

هكذا من الاصل

[illegible]

Special offer?
You wish to finance a large-scale international project?
NORD/LB
NORDDEUTSCHE LANDESBANK GIROZENTRALE

Herald Tribune INTERNATIONAL
BUSINESS/FINANCE
R TUESDAY, OCTOBER 28, 1997 

Special request!
A second opinion is always smart.
From a major German bank with international experience.
NORD/LB
NORDDEUTSCHE LANDESBANK GIROZENTRALE

# *The Asian Test Case: Indonesia*

## IMF Seeks Concessions on Cronyism Before Approving Bailout

By Michael Richardson
*International Herald Tribune*

SINGAPORE — Indonesia and a team led by the International Monetary Fund resumed negotiations Monday to finalize a multibillion-dollar support package that officials say could be crucial in restoring financial stability in Indonesia and the wider Southeast Asian region.

Yet many analysts remain skeptical that the government of President Suharto will agree to abolish or even phase out monopolies and expensive industrial projects backed by the state, including some headed by his relatives and friends.

Ending the state subsidies and loans involved in such projects, analysts said, would send a strong signal that Southeast Asia's largest economy and the world's fourth-most-populous nation was serious about curbing the close ties between powerful business interests and the government.

Such ties have led to widespread nepotism, corruption and mismanagement, analysts say, with the result that some knowledgeable observers estimate that private Indonesian companies and banks may have foreign debt totaling $90 billion — about $30 billion more than officially reported.

Indonesia's foreign-exchange reserves total about $21 billion, while government debt amounts to about $67 billion — making a total officially reported foreign debt of $128 billion.

A Jakarta-based economist for an international securities house said Monday that the lack of transparency in Indonesia and inadequate regulation of the country's 240 banks made it impossible to know how much of the

NEWS ANALYSIS

private debt was owed by healthy, export-oriented companies and how much had been lent to firms that would default or have difficulty repaying their loans.

He said that the weakness in the country's currency, the rupiah, reflected concern among investors that the conglomerates with the best political connections were "among the worst indebted and that the government may not have the political will to confront them."

Analysts said that the IMF had to be careful that its funds were not used to support an indiscriminate private-sector bailout in Indonesia.

In downgrading Indonesia's long-term foreign-currency rating earlier this month, Standard & Poor's Corp. noted that "pervasive favoritism throughout the public and private sectors" could impede the restoration of investor confidence.

It said that the ratings downgrade reflected the steep rise in "corporate external indebtedness, which could pressure the government to provide financial assistance, given the linkages between public and private sector leaders."

Although the IMF has considerable leverage because Indonesia may need a standby loan of up to $15 billion to deal with its financial problems, analysts said that the fund would have to be careful not to stir up nationalistic sentiments by appearing to interfere in Indonesia's internal affairs.

"One thing the IMF does not want to be seen to be doing is ruling Indonesia by diktat," said William Keeling, head of research for Dresdner Kleinwort Benson in Jakarta, a unit of Germany's Dresdner Bank Group. "On the other hand, it must be able to enforce effective conditions in exchange for the loans, otherwise it will just be prolonging structural flaws, not solving them."

After a major run on its currency as companies with large foreign loans scrambled to cover their debts, Indonesia said on Oct. 8 that it was seeking assistance from the IMF, the World Bank and the Asian Development Bank to help stabilize the rupiah and restore confidence to financial markets.

The rupiah has lost more than 30 percent of its value against the dollar since Thailand was forced to give up defense of its currency, the baht, on July 2, triggering turmoil in Southeast Asian currency and stock markets that by last week had spread to Hong Kong, Taiwan, South Korea, Australia and New Zealand.

On Monday, the dollar closed in Asia at 3,575 rupiah, down from 3,590 rupiah.

Thailand agreed in August to accept an IMF-coordinated loan that now totals $17.2 billion in exchange for agreement to reform its troubled financial sector and impose austerity measures, including spending cuts and tax increases.

But partly because of recent backsliding by Bangkok on an oil tax hike

See INDONESIA, Page 17

Thomas Cheng/Agence France-Presse
**A trader in Hong Kong as the market underwent more turmoil.**

# It's a Rolls-Royce, And Now It's For Sale

By Warren Hoge
*New York Times Service*

LONDON — Rolls-Royce Motor Cars Ltd., a brand name that has long been a quintessentially British emblem of quality craftsmanship, purring performance and class, was put up for sale Monday and will almost certainly pass into foreign hands.

Vickers PLC, the defense and engineering group that is its corporate parent, announced that it was disposing of the luxury automobile-making subsidiary as part of its strategy to concentrate on what its chairman, Sir Colin Chandler, identified as its "core business" of armored vehicle and propulsion technology products.

Rolls-Royce has been Britain's last major luxury carmaker to remain independent of one of the large automobile manufacturers.

Bayerische Motoren Werke AG, a German carmaker, was seen as a strong contender because it now makes engines for Rolls-Royce and Bentley cars and has a jet-engine venture with Rolls-Royce PLC, the airplane engine group, which is separate from Vickers. BMW also already owns Rover, another car company with a known British signature.

Other parties said to be interested are Ford Motor Co., maker of the British luxury lines of Jaguar and Aston-Martin, Ferrari, part of the Fiat Group, and Daimler-Benz AG, maker of Mercedes-Benz, perhaps the chief competitor in the eyes of those who like to broadcast their wealth and importance by what they drive.

Vickers' intention to sell Rolls-Royce was not a surprise, though the timing of the announcement suggested an accelerated timetable for Vickers's streamlining process. The group is selling off its medical-equipment businesses as part of its refocusing, and Sir Colin said of the Rolls-Royce sale, "We have already identified a number of opportunities where the resources, which will be released can be used to develop our core businesses."

Rolls-Royce is in the final stages of a rescue from its loss-making struggle when Vickers bought it in 1979. A much-touted new generation of models of the Rolls-Royce and the Bentley is due to come on the market by the summer, and sales of the existing models had gone up 9 percent this year to 1,396 in the first nine months of 1997. But profit margins had been squeezed because of discounts offered on current models before new ones are put on the market.

Rolls-Royce returned to profitability under Vickers, and, though its precise performance is not broken out in the overall figures for the company's automotive division, it was estimated to be making more than £20 million ($32.7 million). Estimates of its purchase price began at £400 million, more than 10 times what Vickers paid for it in 1979.

Even under foreign ownership, production of the cars would remain in the Midlands city of Crewe in Cheshire where all Rolls-Royces are made, said a spokesman for Lazard Brothers & Co., which is advising Vickers on the sale.

The Rolls-Royce name, which has entered the language as a symbol of uncompromised elegance, is almost as old as the century. It was in 1904 that Charles Rolls, a millionaire's son with a passion for the new horseless carriages, and Henry Royce, an engineer from Manchester, shook hands in the lobby of the city's grand Midlands Hotel and agreed on a partnership. A brass plaque still at the entrance of the baronial building marks the occasion.

Two years later Mr. Rolls and Mr. Royce marketed their product as "the best six-cylinder car in the world." The price was £395.

The standards of workmanship have passed into legend. Each dashboard veneer is numbered so it can be matched to the same walnut log if damaged. Carpets are all made from pure new wool cut by hand.

On convertible models such as the Rolls-Royce Corniche and the Bentley Continental, each hood frame is handcrafted over four days.

A Vickers spokeswoman said that sales of Rolls-Royce and Bentley cars followed a pattern of one-third in Europe, one-third in the United States and one-third throughout the rest of the world.

**Thinking Ahead** /Commentary

# No 'Ruthless' Monster: Globalization's Bad Rap

By Reginald Dale
*International Herald Tribune*

WASHINGTON — By failing to make their case aggressively enough, supporters of free trade and open markets are allowing a gross caricature of today's global economy to take root in the popular imagination, especially in the Western industrialized countries.

The caricature, a favorite weapon of vested interests resisting economic change, goes something like this: Devotees of an untrammeled free-market ideology are tearing down international economic and financial barriers without heed to the devastating effects on the poor and the vulnerable.

The world, it is claimed, is increasingly ruled not by governments but by giant multinational corporations promoting only their own selfish business interests.

Economic globalization is depicted as "ruthless" and "inhumane," with particular odium attached to the United States as its alleged instigator.

A prime example is the myth, especially prevalent in Europe, that people around the world are being told — by whom is not clear — that they must slavishly copy the American economic model, with all its social blemishes, if their countries are to compete successfully in the 21st century.

Such assertions are frequently advanced by globalization's opponents and die-hard interventionists, as if there were no need to prove them. Far too often they go unchallenged. But they are either gross distortions or complete untruths.

Nobody is actually telling the French, for instance, that they must become just like Americans. It would be crazy to want them to do so — people who believe in free markets also, virtually by definition, believe in individual and cultural differences and competition among national models.

Most people who think globalization is on balance good are not ideologues but pragmatists. They believe that for most economic activities the market delivers more efficient results, and greater prosperity, than government regulation — not that the market is best at resolving ethical questions or that moral issues can be ignored.

What is now being debated in most countries is the extent to which markets should be left free to operate and how far governments should remain in control.

With the Cold War over, the question is less one of ideology than of degree.

It is true that since the 1980s, the middle ground in this debate has shifted toward greater acceptance of the free market.

Outside North Korea, not many people believe, like the old British Labour Party, that all means of production should be nationalized.

But even the most ardent free-marketeers see a role for government in setting a framework of rules permitting markets to flourish.

And nobody is saying, not even in the United States, that nothing should be done to help the victims of globalization or that the poor should be left to die on the streets.

Nor is it correct that governments have lost all power to influence economic activity. Multinational companies are still subject to regulation, new rules are constantly being written for international trade, and stock market regulations, for instance, are being tightened.

Governments in economic and financial trouble are not being abandoned to market forces. The controversy today is not whether the international community is doing too little to rescue East Asian countries, such as Thailand, that have fallen victim to market pressures, but whether it is doing too much.

In all the industrialized countries, the role of government has expanded enormously in the past four decades. In terms of the share of national output that goes to public spending, the era of big government is very definitely not over.

Despite the successful drive to deregulate the U.S. economy in recent years, American business is increasingly constrained by unnecessarily burdensome social regulations and threats of litigation. Despite the caricaturists' propaganda, the "free-market ideologues" are a long way from taking over.

Universal Pictorial Press
**The novelist Stephen King and his cat posing in a graveyard in 1992.**

# *Publishers Get a Scare*

## Stephen King Demands $17 Million for Novel

By Doreen Carvajal
*New York Times Service*

NEW YORK — The horror. The horror. The superstar storyteller and scaremeister Stephen King is abandoning Viking, his publisher of almost two decades, fleeing what seemed like a contented and placid literary relationship that spanned 44 titles from "The Dead Zone" to "Desperation."

With a mixture of anticipation and cold dread, a few major publishers are considering Mr. King, like classmates warily circling Carrie at the high school prom. They are pondering whether to pounce on his newly completed manuscript, "Bag of Bones," a 1,000-page novel about an author who develops writer's block after the death of his wife.

In fact, a handful of top New York-based publishing houses are rushing to put proposals together to land Mr. King. But many executives in the running say privately that the rare contest for a superstar author will be a test of the industry's resolve to rein in astronomical advances in a particularly bleak sales climate.

"This is really a reality check for all those people who have been saying that the business is out of control and the advances are going through the roof," said a top publishing executive participating in talks. "We'll see how many people are going to go out there and pay a ridiculous amount of money."

By most reports, the new tome is vintage King, a gripping tale from an author so beloved that a recent trade industry survey indicated that readers would like to be marooned on a desert island with their first choice of a Bible or their second choice of a King horror novel.

But several publishing executives involved in the talks sat they fear that even another best-seller from Mr. King will almost certainly lose money in a conventional publishing deal given the asking price of more than $17 million for a "Bag of Bones."

"It's pretty impossible to make money at that level," said Paul Fedorko, the publisher at William Morrow & Co., which is trying to piece together a proposal that would include deals with other divisions of Morrow's parent company, Hearst Corp. "But if you can put something else together then it's worthwhile to be in business with Stephen King."

Publishers are also weighing whether the sizable advance is better spent by spreading such a sum among up-and-coming authors rather than using it for a brand name whose net sales per book appear to have leveled at just over a million copies. At times, the rhetoric coming from New York publishing houses has the distinct ring of a major sports league franchise owner mulling whether to put a top athlete on waivers.

"Do you want to have one superstar with a lot of utility infielders around him or do you want to have nine All Stars on the field?" said a top publisher who considered making a bid. "We're fed up. I just feel that we're doing all this work for a poor bottom line.

"I realize that life isn't fair, but it ought to be tolerable," the publisher continued. "I have no problem with building up a superstar author where everybody makes money. But to be forced to pay top dollar so you basically can make no money?"

Mr. King's work has been a staple on best-seller lists since "The Dead Zone" was published in 1979. But even best-sellerhood is a relative concept: 20 of the author's books have made The New York Times best-seller list, for instance — but newer books tend to spend less time there.

Mr. King became a literary free agent this month after negotiations for a new book deal reached an impasse with Viking, where he had long been considered the undisputed pillar of the publishing house, both under his own name and his pen name, Richard Bachman.

See KING, Page 17

# Intel and Digital Settle A Fight by Joining Hands

*Bloomberg News*

SANTA CLARA, California — Intel Corp. said Monday that it would buy Digital Equipment Corp.'s chipmaking operations for $700 million and produce its Alpha chip to end a patent dispute in which Digital accused Intel of stealing technology.

Intel also said it would enter a 10-year cross-licensing agreement with Digital and obtain the rights to make other semiconductor products from Digital, which will develop future generations of the Alpha.

Both companies stand to benefit from the transition. Digital's profit should rise because it no longer will bear the cost of running its unprofitable semiconductor business, analysts and investors said, while gaining a larger market for its chip. Intel wins because it puts to rest a thorny legal problem at a time when federal regulators are reviewing its business practices, they said.

Digital sued Intel in May, alleging that the largest U.S. chipmaker had used Digital's technology in creating its best-selling Pentium chips. Intel, whose microprocessors power 85 percent of the world's personal computers, returned fire with its own suit. Settling the issue by ensuring the survival of Digital's Alpha chip could benefit Intel as the Federal Trade Commission pursues its inquiry, analysts said.

Intel will get immediate access to Digital's modern chip-fabrication facility in Hudson, Massachusetts, where it makes the Alpha chip and other microprocessors. The agreement also provides for Digital to develop a line of computers based on Intel's 64-bit Merced chip, expected to be released in 1999.

### ■ Microsoft Countersues Sun

Microsoft Corp. said Monday it had countersued Sun Microsystems Inc., raising the stakes in the bitter licensing dispute between the two companies, Reuters reported from San Jose, California.

In the suit, filed in U.S. District Court in San Jose, Microsoft claims breach of contract and unfair competition. The countersuit is a response to Sun's lawsuit charging that Microsoft was using Sun's Java programming language in a way that would make Microsoft's products incompatible with software being developed by other companies using the Java language. In its lawsuit, Sun said its licensing agreement for Java forbids development of such incompatible software.

Microsoft said its lawsuit contends that Sun broke the contract by failing to deliver Java technology that passes its testing and by failing to provide a public set of tests.

Microsoft also said Sun had not treated it on an equal footing with all other licensees, as required. It said Sun intentionally interfered with its business by repeatedly making false statements about the compatibility and desirability of Microsoft's products and Microsoft's rights under the agreement.

# *Riven Arises From the Myst*

*New York Times Service*

NEW YORK — When is a computer program that hits the market more than a year behind schedule not necessarily a fiasco?

When it is the sequel to the best-selling computer game in history.

The two dozen artists, programmers and whip-crackers at Cyan Inc. who work in a funky building made of wood and stone in the eastern reaches of Washington state have finally finished the sequel to Myst, the genre-busting game that has sold more than 3.1 million copies, almost twice that of its nearest competitor.

After Cyan spent around $10 million and four years making Riven, which will arrive on store shelves at the end of this week, few people in the computer game industry think that the fact that the game was originally meant to be released in the summer of 1996 will have much effect on the product's prospects.

The delays, described by the company as needed to put the finishing touches on the game, such as bigger and better graphics, have only increased the expectations for Riven.

If there is such a thing as a computer game establishment, it was confounded and remains somewhat confused by Myst's success. More like an interactive slide show than a computer game, Myst includes no killing, next to no action of any other kind and no substantial interaction with other characters.

Riven is like Myst, only more so. It adds more interaction with other beings and adds some beetles, but the essentials — from its carefully textured landscapes to its brooding music to its knack for keeping otherwise normal people awake half the night — remain constant.

**On a dock on game's Myst Island.**

# CURRENCY & INTEREST RATES

### Cross Rates

Oct. 27

| | $ | £ | D.M. | F.F. | Lira | D.Fl | B.F. | S.F. | Yen | C$ | Peseta |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Amsterdam | 1.9855 | 3.280 | 1.1271 | 0.3367 | 0.1154* | — | 5.4665* | 1.3643 | 1.6332* | 1.4195 | 1.337* |
| Brussels | 36.5275 | 60.105 | 20.6195 | 6.1525 | 2.111* | 18.299 | — | 24.8275 | 0.299 | 26.21 | 24.465* |
| Frankfurt | 1.765 | 2.9077 | — | 0.2986 | 0.1024* | 0.8874 | 4.8563* | 1.2182 | 1.4485* | 1.265 | 1.1855* |
| London (a) | 1.6561 | — | 2.9144 | 9.7674 | 2,848.33 | 3.2867 | 60.1147 | 2.4088 | 201.624 | 2.315 | 245.77 |
| Madrid | 148.739 | 245.137 | 84.239 | 25.177 | 8.635* | 74.578 | 4.0899 | 102.191 | 122.168* | 106.654 | — |
| Milan | 1,723.00 | 2,838.70 | 976.55 | 291.35 | — | 867.88 | 47.41 | 1,180.80 | 14.171 | 1,235.45 | 11.58 |
| New York (b) | — | 1.6635a | 1.7515 | 5.8915 | 1,714.80 | 1.9885 | 36.12 | 1.445 | 121.775 | 1.4813 | 148.585 |
| Paris | 5.9078 | 9.7365 | 3.3495 | — | 0.343* | 2.9724 | 0.1624 | 4.059 | 4.8524* | 4.2362 | 3.9715* |
| Tokyo | 122.25 | 191.98 | 69.02 | 20.40 | 0.707 | 61.25 | 3.3484 | 83.53 | — | 87.85 | 0.8192 |
| Toronto | 1.4016 | 2.3252 | 0.7978 | 0.2379 | 0.8016* | 0.707 | 0.3853* | 0.9668 | 1.1474* | — | 0.945* |
| Zurich | 1.4547 | 2.4095 | 0.8257 | 0.2464 | 0.0845* | 0.7323 | 4.000* | — | 1.1939* | 1.0408 | 0.974* |
| 1 ECU | 1.1185 | 0.6787 | 1.9778 | 6.6079 | 1,926.62 | 2.2230 | 40.6747 | 1.628 | 136.176 | 1.5599 | 166.387 |
| 1 SDR | 1.3687 | 0.8308 | 2.4157 | 8.1402 | 2,357.56 | 2.7284 | 49.8606 | 1.9965 | 167.251 | 1.8970 | 203.609 |

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York at 4 P.M. and Toronto rates at 3 P.M.
a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.

### Other Dollar Values

| Currency | Per $ | Currency | Per $ | Currency | Per $ | Currency | Per $ |
|---|---|---|---|---|---|---|---|
| Argent. peso | 0.9986 | Greek drac. | 276.38 | Mex. peso | 7.87 | S. Afr. rand | 4.7665 |
| Australian $ | 1.4503 | Hong Kong $ | 7.73 | N. Zealand $ | 1.6075 | S. Kor. won | 939.50 |
| Austrian sch. | 12.36 | Hung. forint | 198.74 | Norw. krone | 7.0705 | Swed. krona | 7.5498 |
| Brazil real | 1.101 | Indian rupee | 36.26 | Phil. peso | 35.15 | Taiwan $ | 30.50 |
| Chinese yuan | 8.3133 | Indo. rupiah | 3575.0 | Polish zloty | 3.43 | Thai baht | 38.60 |
| Czech koruna | 33.25 | Irish £ | 0.6733 | Port. escudo | 178.85 | Turkish lira | 182080. |
| Danish krone | 6.716 | Israeli shek. | 3.5616 | Russ ruble | 5881. | UAE dirham | 3.6729 |
| Egypt. pound | 3.3998 | Kuw dinar | 0.304 | Saudi riyal | 3.7525 | Venez. boliv. | 498.10 |
| Fin. markka | 5.2561 | Malay. ring. | 3.777 | Sing. $ | 1.5765 | | |

### Forward Rates

| Currency | 30-day | 60-day | 90-day | Currency | 30-day | 60-day | 90-day |
|---|---|---|---|---|---|---|---|
| Pound Sterling | 1.6549 | 1.6528 | 1.6509 | Japanese yen | 121.11 | 120.58 | 120.04 |
| Canadian dollar | 1.3932 | 1.3909 | 1.3887 | Swiss franc | 1.4507 | 1.4493 | 1.4479 |
| Deutsche mark | 1.7559 | 1.7528 | 1.7499 | | | | |

Sources: ING Bank (Amsterdam); Cera Investment Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

### Libid-Libor Rates

Oct. 27

| | Dollar | D-Mark | Swiss Franc | Sterling | French Franc | Yen | ECU |
|---|---|---|---|---|---|---|---|
| 1-month | 5 1/2 - 5 5/8 | 3 5/16 - 3 7/16 | 1 3/4 - 1 7/8 | 7 - 7 1/8 | 3 3/16 - 3 5/16 | 3/8 - 1/2 | 4 1/8 - 4 1/4 |
| 3-month | 5 9/16 - 5 3/4 | 3 9/16 - 3 11/16 | 2 - 2 1/8 | 7 1/4 - 7 3/8 | 3 5/16 - 3 7/16 | 3/8 - 1/2 | 4 7/16 - 4 9/16 |
| 6-month | 5 3/4 - 5 7/8 | 3 11/16 - 3 13/16 | 2 1/16 - 2 3/16 | 7 5/16 - 7 7/16 | 3 1/2 - 3 5/8 | 7/16 - 9/16 | 4 1/2 - 4 5/8 |
| 1-year | 6 1/8 - 6 1/4 | 4 1/16 - 4 1/8 | 2 5/16 - 2 7/16 | 7 9/16 - 7 11/16 | 4 1/16 - 4 3/16 | 9/16 - 11/16 | 4 11/16 - 4 13/16 |

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

### Key Money Rates

| United States | Close | Prev |
|---|---|---|
| Discount rate | 5.00 | 5.00 |
| Prime rate | 8 1/2 | 8 1/2 |
| Federal funds | 5 1/2 | 5 9/16 |
| 90-day CDs dealers | 5.67 | 5.70 |
| 180-day CP dealers | 5.55 | 5.55 |
| 3-month Treasury bill | 4.91 | 5.02 |
| 1-year Treasury bill | 4.97 | 5.16 |
| 2-year Treasury bill | 5.54 | 5.75 |
| 5-year Treasury note | 5.70 | 5.90 |
| 7-year Treasury note | 5.75 | 5.94 |
| 10-year Treasury note | 5.82 | 5.99 |
| 30-year Treasury bond | 6.16 | 6.28 |
| Merrill Lynch 30-day RA | 5.09 | 5.09 |
| **Japan** | | |
| Discount rate | 0.50 | 0.50 |
| Call money | 0.43 | 0.49 |
| 1-month interbank | 0.46 | 0.46 |
| 3-month interbank | 0.47 | 0.47 |
| 6-month interbank | 0.50 | 0.50 |
| 10-year Govt bond | 1.86 | 1.90 |
| **Germany** | | |
| Lombard rate | 4.50 | 4.50 |
| Call money | 3.45 | 3.45 |
| 1-month interbank | 3.53 | 3.53 |
| 3-month interbank | 3.70 | 3.70 |
| 6-month interbank | 3.86 | 3.90 |
| 10-year Bund | 5.66 | 5.82 |

| Britain | | |
|---|---|---|
| Bank base rate | 7.00 | 7.00 |
| Call money | 7 3/16 | 7 1/8 |
| 1-month interbank | 7 5/16 | 7 5/16 |
| 3-month interbank | 7 7/16 | 7 7/16 |
| 6-month interbank | 7 1/2 | 7 1/2 |
| 10-year Gilt | 6.54 | 6.54 |
| **France** | | |
| Intervention rate | 3.30 | 3.30 |
| Call money | 3 3/8 | 3 1/4 |
| 1-month interbank | 3 3/8 | 3 7/16 |
| 3-month interbank | 3 9/16 | 3 9/16 |
| 6-month interbank | 3 11/16 | 3 3/4 |
| 10-year OAT | 5.65 | 5.65 |

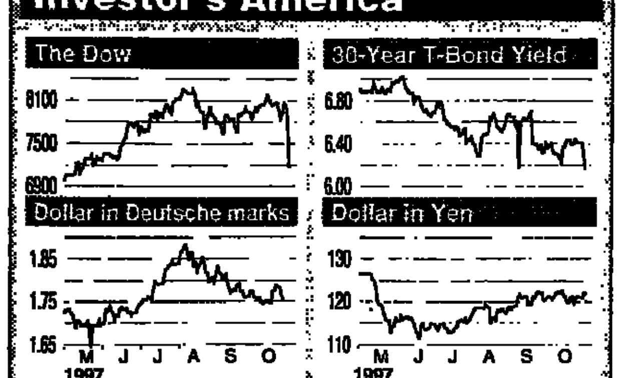
Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

### Gold

| | A.M. | P.M. | Ch'ge |
|---|---|---|---|
| Zurich | N.A. | 311.50 | —4.90 |
| London | 311.80 | 311.80 | —4.86 |
| New York | 309.60 | 312.30 | +3.70 |

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Dec.)
Source: Reuters.

## Investor's America




| Exchange | Index | Monday @4PM | Prev. Close | % Change |
|---|---|---|---|---|
| NYSE | The Dow | 7161.15 | 7715.41 | -7.18 |
| NYSE | S&P 500 | 876.99 | 941.64 | -6.87 |
| NYSE | S&P 100 | 835.20 | 896.59 | -6.85 |
| NYSE | Composite | 463.21 | 495.77 | -6.57 |
| U.S. | Nasdaq Composite | 1535.10 | 1650.92 | -7.02 |
| AMEX | Market Value | 660.51 | 701.18 | -5.81 |
| Toronto | TSE Index | 6599.20 | 7033.50 | -6.17 |
| São Paulo | Bovespa | 9816.81 | 11545.27 | -14.97 |
| Mexico City | Bolsa | 4263.99 | 4916.36 | -13.31 |
| Buenos Aires | Merval | 678.29 | 785.83 | -13.68 |
| Santiago | IPSA General | 4977.83 | 5139.60 | -3.15 |
| Caracas | Capital General | 9448.65 | 10300.68 | -8.26 |

Source: Bloomberg, Reuters — International Herald Tribune

# US West Restructures

## Phone and Cable-TV Businesses Split

*Compiled by Our Staff From Dispatches*

ENGLEWOOD, Colorado — US West Inc. said Monday that it would separate its phone and cable-television businesses, abandoning its once-touted strategy of combining telecommunications and cable services.

"Recent developments in technology, markets and regulation will provide strategic competitive opportunities for both businesses that outweigh the benefits of remaining together," Chairman Richard McCormick said.

The new cable company, to be called MediaOne Group Inc., will be headed by Charles Lillis, currently chief executive of US West Media Group.

Its assets will include US West's interest in Time Warner Entertainment, some wireless operations and all of US West's international interests and interactive services.

The regional Bell company has had separate stocks tracking the performance of its US West Communications phone unit and the cable business, US West Media Group, since November 1995. It is the No. 3 cable operator in the United States, after the $11.8 billion purchase of Continental Cablevision Inc. last year.

US West once expected that cable and phone communications would be intertwined. Now the company will focus on using cable-television lines for the Internet rather than for telephone service.

*(Bloomberg, Reuters)*

# Dollar Hit by Drop in Equities

*Bloomberg News*

NEW YORK — The dollar fell against most major currencies Monday as U.S. stocks registered their worst single-day decline since the October 1987 stock market collapse.

The Dow Jones industrial average fell more than 554 points, or 7.2 percent, prompting the close of

### FOREIGN EXCHANGE

equities trading. That loss followed a near-6 percent drop in Hong Kong's benchmark Hang Seng index. When foreign investors sell U.S. stocks they frequently convert the dollar proceeds into their home currencies.

"If the asset markets are not performing well, that's a net negative for the dollar," said Tim Stewart, currency strategist at Morgan Stanley Dean Witter. "You don't want to own the currency in a country where asset markets are falling."

At 4 P.M., the dollar was at 1.7515 Deutsche marks, down from 1.7770 DM Friday, at 5.8915 French francs, down from 5.9545 francs and at 1.4445 Swiss francs, down from 1.4650. The dollar fell to 121.775 yen from 121.945.

The pound rose to $1.6615 from $1.6335.

While German stocks were among global shares that fell, traders bought the mark because the dollar is more sensitive to U.S. stocks than the German currency is to German markets, analysts said.

Some traders also bought the mark on speculation that weakness in world financial markets could slow global growth and impede Europe's march toward economic and monetary union.

Gains in the yen were limited by speculation that Southeast Asia's turmoil will take a greater toll on Japan than on the United States.

# Agency Approves Port Deal With Japan

*The Associated Press*

WASHINGTON — The Federal Maritime Commission approved on Monday a settlement with Japanese carriers ending a dispute that had threatened to close U.S. ports to Japanese cargo ships.

A State Department spokesman said the settlement was consistent with the terms the government had been seeking. He said the agreement would promote competition and increased efficiency at Japanese ports.

Japanese carriers agreed to a payment that satisfied the maritime commission, the spokesman said, but he refused to provide details.

# DOW: *Trading Is Halted on Wall Street as Stock Prices Collapse Under 550-Point Dow Barrier*

Continued from Page 1

funds, the rate that banks charge each other for overnight loans, were higher, at 5.625 percent, an unusual condition because the fed funds rate is usually the floor for the U.S. money markets.

At the other end of the maturity spectrum, the 30-year Treasury bond ended with a yield of just 6.16 percent, down from 6.29 on Friday. Interest rates have been falling in part

### U.S. STOCKS

because of concerns of global deflation. With weak economies in much of Asia and Europe, companies find themselves increasingly unable to raise prices. Some analysts have been warning that this lack of pricing power limits the earnings power of corporations, putting pressure on stock prices.

Rosemary Sagar, head of U.S. Trust Corp.'s global investment division, said the market value of American stock prices was about 1.21 times the size of the U.S. economy, a record level. "There were huge expectations built into the market, and it's going to be very hard for companies to do as well as they have in the past in terms of corporate profit growth."

An illustration of that theme was provided by Oxford Health Plan, whose stock fell 42⅞ to close at 25⅞. The health insurer said it was having trouble collecting on some of its bills, much of which were sent out before the third quarter, and it said it expected to book a loss for that period.

A stunning 49 million shares of Oxford were traded on the Nasdaq system, more than half the 79 million outstanding.

Most of the other active Nasdaq issues were computer-related, with Intel falling 5¼ at 74¾, Applied Materials off 2 17/64 at 31 and Dell Computer losing 12 1/16 to 81⅞. The reduced growth prospects for Southeast Asia have been weighing on the industry.

The Nasdaq composite average fell 115.84 points, or 7.02 percent, to close at 1,535.08. The Standard & Poor's Corp. 500-share index finished down 64.67 points, or 6.87 percent, at 876.97.

On the New York Stock Exchange, Compaq was the most-active issue, losing 8¼ to 60½.

Boeing fell 5 7/16 to 43 after a published report that it might take a $1 billion earnings writeoff in connection with its acquisition of McDonnell Douglas.

Other active issues reflected the weakness in Latin America, with American depositary receipts of Telebras of Brazil plunging 28⅞ to 96½ and Telefonos de Mexico down 7 1/16 at 39½.

The Latin America markets had been drawing some interest in the wake of the Southeast Asia currency turmoil that began this summer and resumed this month as pressure grew on the Hong Kong dollar.

"There has been no respect for risk," said Jean-Marie Eveillard, who manages the SoGen International Fund. "Maybe today investors are saying, 'But wait a minute, is Brazil as safe as we thought it was? Don't they have a few problems?' These were questions they ignored only a few weeks ago."

Mr. Eveillard said Brazil did have some structural problems, including a possibly overvalued currency.

Amid the sell-off, there were some rising issues on the New York Stock Exchange, mostly shares of overseas companies or concerns with foreign connections.

Homeside, for example, rose 2½ to 26¾ after National Australia Bank offered to buy the mortgage lender for $27.825 per share.

American depostiary receipts of Tele Danmark, the Danish telephone company, also jumped, reflecting a takeover bid from Ameritech Corp.

Eagle Financial rose 5¾ to 48¾ after Webster Financial agreed to buy Eagle for stock valued at $362 million.

Micro Warehouse fell 8 7/16 to 12¼ after the direct marketer of computer products met analysts forecasts for its third-quarter results, but announced that Linwood A. Lacy Jr. had resigned as chief executive amid some strategic disagreements with the company's board.

## Very briefly:

- **Louisiana-Pacific Corp.** said it would sell $1 billion worth of timberlands, lumber businesses and other assets and reduce its work force by more than 3,500, or 27 percent, over two years as it concentrates on its core building products business.
- **Magellan Health Services Inc.** is buying **Merit Behavioral Care Corp.**, which is controlled by **Kohlberg, Kravis, Roberts & Co.**, for $560 million in cash and assumed debt, solidifying Magellan's place as the top U.S. mental-health care provider.
- **Republic Industries Inc.** agreed to buy 39 new-car dealership franchises for about $250 million in stock, adding to its holdings in California, Georgia and four other states.
- **American Express Co.'s third-quarter net profit rose 14 percent, to $524 million, led by a strong gain in its financial advice business. Sales increased 10 percent, to $4.5 billion.**
- **Stone Container Corp.** plans to sell some Canadian assets and exit the wood-pulp business, which will allow it to cut debt by $1.5 billion and concentrate on paper and packaging.
- **Pennzoil Co.**'s third-quarter profit rose 58 percent, to $38.2 million, as refining earnings more than tripled on increased production of fuels and wider profit margins. *AP, Bloomberg*

## Weekend Box Office

*The Associated Press*

LOS ANGELES — "I Know What You Did Last Summer" dominated the North American box office over the weekend, with a gross of $13.1 million. Following are the Top 10 moneymakers, based on Saturday's ticket sales and estimated sales for Sunday.

| | | |
|---|---|---|
| 1. I Know What You Did Last Summer | (Columbia) | $13.1 million |
| 2. Devil's Advocate | (Warner Bros.) | $10.3 million |
| 3. Kiss the Girls | (Paramount) | $5.2 million |
| 4. Seven Years in Tibet | (Tristar) | $4.8 million |
| 5. Gattaca | (Columbia) | $4.4 million |
| 6. Fairytale: A True Story | (Paramount) | $3.4 million |
| 7. In & Out | (Paramount) | $2.9 million |
| 8. Soul Food | (Twentieth Century-Fox) | $2.2 million |
| 9. A Life Less Ordinary | (Twentieth Century-Fox) | $2.1 million |
| 10. L.A. Confidential | (Warner Bros.) | $2 million |

# INTERNATIONAL FUTURES

**Oct. 27, 1997**

### Grains

| | High | Low | Latest | Chge | OpInt |
|---|---|---|---|---|---|
| **CORN (CBOT)** 5,000 bu minimum- cents per bushel | | | | | |
| Dec 97 | 294 | 285 | 287½ | -2¼ | 207,264 |
| Mar 98 | 302½ | 294½ | 297 | -1¾ | 102,554 |
| May 98 | 307½ | 300½ | 303 | -1⅜ | 30,485 |
| Jul 98 | 312 | 304 | 306¼ | -2 | 39,453 |
| Sep 98 | 298 | 292½ | 294 | -2½ | 3,673 |
| Dec 98 | 297 | 290 | 292 | -3 | 24,536 |
| Jul 99 | | | 305 | -3 | 202 |
| Est. sales N.A. Fri's sales 52,591 | | | | | |
| Fri's open int 409,136, up 1,560 | | | | | |
| **SOYBEAN MEAL (CBOT)** 100 tons- dollars per ton | | | | | |
| Dec 97 | 226.50 | 221.40 | 223.80 | -0.20 | 41,436 |
| Jan 98 | 224.50 | 219.50 | 221.10 | -0.80 | 22,044 |
| Mar 98 | 221.80 | 217.20 | 218.40 | -0.80 | 20,057 |
| May 98 | 220.00 | 216.50 | 218.00 | -0.10 | 14,815 |
| Jul 98 | 221.20 | 218.00 | 219.60 | unch. | 11,676 |
| Aug 98 | 221.00 | 219.30 | 219.30 | +0.80 | 2,674 |
| Est. sales N.A. Fri's sales 21,915 | | | | | |
| Fri's open int 119,392, up 130 | | | | | |
| **SOYBEAN OIL (CBOT)** 60,000 lbs- cents per lb | | | | | |
| Dec 97 | 25.93 | 25.50 | 25.78 | +0.05 | 56,120 |
| Jan 98 | 26.07 | 25.68 | 25.95 | unch. | 24,632 |
| Mar 98 | 26.27 | 25.83 | 26.10 | -0.02 | 13,546 |
| May 98 | 26.35 | 25.88 | 26.18 | +0.01 | 8,286 |
| Jul 98 | 26.40 | 25.95 | 26.25 | +0.04 | 8,763 |
| Aug 98 | 26.10 | 25.95 | 26.10 | +0.15 | 630 |
| Est. sales N.A. Fri's sales 22,201 | | | | | |
| Fri's open int 113,182, up 1,196 | | | | | |
| **SOYBEANS (CBOT)** 5,000 bu minimum- cents per bushel | | | | | |
| Nov 97 | 704 | 692½ | 697½ | -1½ | 54,779 |
| Jan 98 | 711 | 700 | 704½ | -½ | 49,718 |
| Mar 98 | 719 | 707 | 712¼ | -1¼ | 21,253 |
| May 98 | 725½ | 714½ | 718¾ | -1 | 15,906 |
| Jul 98 | 731½ | 720 | 724¾ | -1 | 13,677 |
| Est. sales N.A. Fri's sales 45,674 | | | | | |
| Fri's open int 162,209, off 6,398 | | | | | |
| **WHEAT (CBOT)** 5,000 bu minimum- cents per bushel | | | | | |
| Dec 97 | 372¼ | 360 | 361½ | -7½ | 57,107 |
| Mar 98 | 385 | 374¼ | 375¼ | -7¾ | 26,971 |
| May 98 | 390½ | 381½ | 382½ | -7 | 5,852 |
| Jul 98 | 392¾ | 383½ | 385¼ | -6 | 14,066 |
| Est. sales N.A. Fri's sales 12,988 | | | | | |
| Fri's open int 107,060, off 147 | | | | | |

### Livestock

| | High | Low | Latest | Chge | OpInt |
|---|---|---|---|---|---|
| **CATTLE (CMER)** 40,000 lbs.- cents per lb. | | | | | |
| Dec 97 | 67.87 | 67.35 | 67.72 | +0.62 | 39,912 |
| Feb 98 | 69.40 | 68.97 | 69.12 | +0.35 | 22,261 |
| Apr 98 | 73.05 | 72.45 | 72.45 | +0.02 | 13,487 |
| Jun 98 | 70.50 | 70.02 | 70.12 | -0.02 | 10,301 |
| Aug 98 | 70.42 | 70.00 | 70.05 | unch. | 3,185 |
| Oct 98 | 72.80 | 72.20 | 72.22 | -0.42 | 1,134 |
| Est. sales 14,824 Fri's sales 13,588 | | | | | |
| Fri's open int 90,539, off 443 | | | | | |
| **FEEDER CATTLE (CMER)** 50,000 lbs.- cents per lb. | | | | | |
| Oct 97 | 78.00 | 77.50 | 77.50 | -0.60 | 1,815 |
| Nov 97 | 78.85 | 78.30 | 78.37 | -0.27 | 6,730 |
| Jan 98 | 79.20 | 78.55 | 78.57 | -0.30 | 5,104 |
| Mar 98 | 79.00 | 78.25 | 78.30 | -0.35 | 2,367 |
| Apr 98 | 79.10 | 78.50 | 78.50 | -0.20 | 977 |
| May 98 | 79.90 | 79.50 | 79.50 | -0.17 | 713 |
| Est. sales 2,649 Fri's sales 2,935 | | | | | |
| Fri's open int 17,896, off 170 | | | | | |
| **HOGS-Lean (CMER)** 40,000 lbs.- cents per lb. | | | | | |
| Dec 97 | 63.45 | 62.22 | 62.45 | -0.52 | 20,074 |
| Feb 98 | 62.90 | 61.95 | 62.22 | -0.50 | 9,108 |
| Apr 98 | 59.85 | 59.15 | 59.32 | -0.25 | 2,917 |
| Jun 98 | 67.35 | 66.50 | 66.70 | -0.62 | 2,138 |
| Jul 98 | 65.70 | 65.05 | 65.35 | -0.35 | 936 |
| Est. sales 6,921 Fri's sales 13,008 | | | | | |
| Fri's open int 36,801, off 455 | | | | | |
| **PORK BELLIES (CMER)** 40,000 lbs.- cents per lb. | | | | | |
| Feb 98 | 65.45 | 63.50 | 64.12 | -1.02 | 6,421 |
| Mar 98 | 65.20 | 63.50 | 64.00 | -1.17 | 973 |
| May 98 | 65.30 | 63.60 | 63.60 | -1.40 | 280 |
| Est. sales 2,730 Fri's sales 2,658 | | | | | |
| Fri's open int 7,851, off 155 | | | | | |

### Food

| | High | Low | Latest | Chge | OpInt |
|---|---|---|---|---|---|
| **COCOA (NCSE)** 10 metric tons- $ per ton | | | | | |
| Dec 97 | 1595 | 1574 | 1579 | -1 | 34,065 |
| Mar 98 | 1632 | 1612 | 1616 | -2 | 27,018 |
| May 98 | 1654 | 1634 | 1638 | -2 | 13,037 |
| Jul 98 | 1660 | 1656 | 1658 | -2 | 3,868 |
| Sep 98 | 1690 | 1679 | 1679 | -2 | 4,798 |
| Dec 98 | 1708 | 1697 | 1697 | -2 | 8,994 |
| Est. sales 7,697 Fri's sales 8,093 | | | | | |
| Fri's open int 103,028, off 778 | | | | | |
| **COFFEE C (NCSE)** 37,500 lbs.- cents per lb. | | | | | |
| Dec 97 | 155.50 | 151.25 | 153.60 | +0.70 | 11,665 |
| Mar 98 | 144.25 | 141.25 | 142.95 | +0.30 | 8,054 |
| May 98 | 140.00 | 138.00 | 139.00 | unch. | 2,563 |
| Jul 98 | 135.65 | 134.00 | 135.65 | +0.50 | 1,916 |
| Sep 98 | 131.75 | 130.50 | 131.75 | +0.30 | 952 |
| Est. sales 5,257 Fri's sales 5,634 | | | | | |
| Fri's open int 25,820, off 170 | | | | | |
| **SUGAR-WORLD 11 (NCSE)** 112,000 lbs.- cents per lb. | | | | | |
| Mar 98 | 11.89 | 11.80 | 11.89 | +0.08 | 89,658 |
| May 98 | 11.86 | 11.80 | 11.86 | +0.06 | 25,289 |
| Jul 98 | 11.75 | 11.68 | 11.74 | +0.06 | 19,189 |
| Oct 98 | 11.65 | 11.58 | 11.64 | +0.05 | 19,769 |
| Est. sales 12,901 Fri's sales 13,106 | | | | | |
| Fri's open int 159,905, up 835 | | | | | |

| | High | Low | Latest | Chge | OpInt |
|---|---|---|---|---|---|
| **ORANGE JUICE (NCTN)** 15,000 lbs.- cents per lb. | | | | | |
| Nov 97 | 70.00 | 69.35 | 69.55 | -0.10 | 8,926 |
| Jan 98 | 73.20 | 72.60 | 72.65 | -0.20 | 17,499 |
| Mar 98 | 76.35 | 75.80 | 75.85 | -0.30 | 10,421 |
| May 98 | 79.50 | 79.00 | 79.00 | -0.25 | 2,344 |
| Est. sales N.A. Fri's sales 4,239 | | | | | |
| Fri's open int 41,763, up 168 | | | | | |

### Metals

| | High | Low | Latest | Chge | OpInt |
|---|---|---|---|---|---|
| **GOLD (NCMX)** 100 troy oz.- dollars per troy oz. | | | | | |
| Oct 97 | 310.30 | 310.10 | 311.30 | +4.00 | |
| Nov 97 | | | 311.40 | +4.00 | 1 |
| Dec 97 | 313.50 | 308.00 | 312.30 | +3.70 | 109,129 |
| Feb 98 | 315.00 | 309.80 | 313.70 | +3.60 | 26,460 |
| Apr 98 | 316.40 | 312.60 | 315.40 | +3.60 | 6,474 |
| Jun 98 | 318.50 | 315.50 | 317.20 | +3.50 | 10,776 |
| Aug 98 | 319.60 | 318.20 | 319.20 | +3.50 | 4,465 |
| Oct 98 | | | 321.20 | +3.50 | 487 |
| Dec 98 | 323.50 | 321.50 | 323.30 | +3.50 | 10,458 |
| Est. sales 39,000 Fri's sales 140,119 | | | | | |
| Fri's open int 204,484, up 25,829 | | | | | |
| **HI GRADE COPPER (NCMX)** 25,000 lbs.- cents per lb. | | | | | |
| Oct 97 | 90.00 | 89.20 | 90.00 | -0.40 | 562 |
| Nov 97 | 90.70 | 89.65 | 90.10 | -0.60 | 2,992 |
| Dec 97 | 91.20 | 89.40 | 90.45 | -0.65 | 29,487 |
| Jan 98 | 91.00 | 90.10 | 90.85 | -0.65 | 1,137 |
| Feb 98 | 91.45 | 90.40 | 91.45 | -0.35 | 1,239 |
| Mar 98 | 91.60 | 90.75 | 91.50 | -0.70 | 7,170 |
| Apr 98 | 91.70 | 91.50 | 91.55 | -0.56 | 1,077 |
| May 98 | 91.80 | 91.00 | 91.55 | -0.55 | 3,015 |
| Jun 98 | 91.80 | 91.45 | 91.45 | -0.35 | 1,088 |
| Est. sales 9,000 Fri's sales 15,078 | | | | | |
| Fri's open int 58,379, up 3,777 | | | | | |
| **SILVER (NCMX)** 5,000 troy oz.- cents per troy oz. | | | | | |
| Oct 97 | | | 476.60 | +0.70 | 21 |
| Nov 97 | | | 477.20 | +0.50 | 1 |
| Dec 97 | 485.50 | 474.00 | 479.00 | +0.50 | 66,267 |
| Jan 98 | 482.00 | 480.30 | 480.30 | +0.50 | 27 |
| Mar 98 | 492.00 | 468.00 | 484.80 | +0.40 | 20,446 |
| May 98 | 493.50 | 487.60 | 487.60 | +0.40 | 2,721 |
| Jul 98 | 495.00 | 490.40 | 490.40 | -0.30 | 2,760 |
| Sep 98 | | | 493.20 | -0.30 | 638 |
| Est. sales 13,000 Fri's sales 33,057 | | | | | |
| Fri's open int 100,242, up 1,678 | | | | | |
| **PLATINUM (NMER)** 50 troy oz.- dollars per troy oz. | | | | | |
| Oct 97 | 413.00 | 413.00 | 400.20 | -13.30 | |
| Jan 98 | 419.00 | 398.50 | 400.20 | -11.80 | 12,033 |
| Apr 98 | 411.50 | 397.70 | 397.70 | -11.30 | 960 |
| Jul 98 | 401.00 | 394.70 | 394.70 | -11.30 | 22 |
| Est. sales N.A. Fri's sales 4,083 | | | | | |
| Fri's open int 13,083, off 651 | | | | | |

| **LONDON METALS (LME)** Dollars per metric ton | Close | | Previous | |
|---|---|---|---|---|
| **Aluminum (High Grade)** | | | | |
| Spot | 1535.00 | 1536.00 | 1564.00 | 1565.00 |
| Forward | 1567½ | 1568.00 | 1595.00 | 1596.00 |
| **Copper Cathodes (High Grade)** | | | | |
| Spot | 1969½ | 1970½ | 2048.00 | 2049.00 |
| Forward | 1989½ | 1990½ | 2067.00 | 2068.00 |
| **Lead** | | | | |
| Spot | 581.00 | 582.00 | 599.00 | 600.00 |
| Forward | 595.00 | 596.00 | 611.00 | 612.00 |
| **Nickel** | | | | |
| Spot | 6005.00 | 6015.00 | 6110.00 | 6120.00 |
| Forward | 6100.00 | 6105.00 | 6200.00 | 6210.00 |
| **Tin** | | | | |
| Spot | 5360.00 | 5370.00 | 5420.00 | 5430.00 |
| Forward | 5385.00 | 5395.00 | 5445.00 | 5450.00 |
| **Zinc (Special High Grade)** | | | | |
| Spot | 1230.00 | 1231.00 | 1256½ | 1257½ |
| Forward | 1251.00 | 1252.00 | 1277.00 | 1278.00 |

### Financial

| | High | Low | Close | Chge | OpInt |
|---|---|---|---|---|---|
| **US T BILLS (CMER)** $1 million- pts of 100 pct. | | | | | |
| Dec 97 | 95.19 | 95.07 | 95.18 | +0.13 | 4,542 |
| Mar 98 | 95.25 | 95.15 | 95.25 | +0.15 | 4,475 |
| Jun 98 | 95.17 | 95.11 | 95.17 | +0.15 | 406 |
| Est. sales 2,079 Fri's sales 1,010 | | | | | |
| Fri's open int 9,425, up 131 | | | | | |
| **5 YR TREASURY (CBOT)** $100,000 prin- pts & 64ths of 100 pct | | | | | |
| Dec 97 | 108-23 | 107-48 | 108-20 | + 39 | 229,126 |
| Jun 98 | | | 108-14 | -14 | unch. |
| Est. sales N.A. Fri's sales 65,404 | | | | | |
| Fri's open int 233,893, off 1,213 | | | | | |
| **10 YR TREASURY (CBOT)** $100,000 prin- pts & 32nds of 100 pct | | | | | |
| Dec 97 | 111-12 | 110-25 | 111-11 | + 21 | 370,982 |
| Mar 98 | 111-02 | 110-17 | 111-02 | + 22 | 19,380 |
| Jun 98 | 110-29 | 110-27 | 110-29 | + 21 | 203 |
| Est. sales N.A. Fri's sales 112,707 | | | | | |
| Fri's open int 390,565, up 1,202 | | | | | |
| **US TREASURY BONDS (CBOT)** (8 pct-$100,000-pts & 32nds of 100 pct) | | | | | |
| Dec 97 | 117-19 | 116-30 | 117-11 | + 18 | 690,053 |
| Mar 98 | 117-09 | 116-11 | 117-02 | + 19 | 69,474 |
| Jun 98 | 116-22 | 116-05 | 116-22 | + 18 | 11,472 |
| Sep 98 | | | 116-12 | + 18 | 2,006 |
| Est. sales N.A. Fri's sales 575,544 | | | | | |
| Fri's open int 777,765, up 28,313 | | | | | |
| **LONG GILT (LIFFE)** £50,000 - pts & 32nds of 100 pct | | | | | |
| Dec 97 | 119-05 | 118-06 | 118-15 | —0-10 | 179,020 |
| Mar 98 | 118-30 | 118-30 | 118-14 | —0-10 | 31,708 |
| Est. sales: 48,455. Prev. sales: 53,313 | | | | | |
| Prev. open int.: 210,728 off 1,416 | | | | | |
| **GERMAN GOV. BUND (LIFFE)** DM250,000 - pts of 100 pct | | | | | |
| Dec 97 | 102.43 | 102.05 | 102.16 | +0.03 | 280,527 |
| Mar 98 | 101.60 | 101.46 | 101.44 | -0.04 | 10,899 |
| Est. sales: 149,799. Prev. sales: 176,173 | | | | | |
| Prev. open int.: 291,426 off 8,115 | | | | | |
| **10-YEAR FRENCH GOV. BONDS (MATIF)** FF500,000 - pts of 100 pct | | | | | |
| Dec 97 | 98.72 | 98.46 | 98.52 | + 0.16 | 110,741 |
| Mar 98 | 98.18 | 98.10 | 97.98 | + 0.16 | 8,903 |
| Est. sales: 94,170. | | | | | |
| Open int.: 119,644 off 2,981. | | | | | |
| **ITALIAN GOVERNMENT BOND (LIFFE)** ITL 200 million - pts of 100 pct | | | | | |
| Dec 97 | 112.10 | 111.52 | 111.64 | —0.23 | 112,670 |
| Mar 98 | N.T. | N.T. | 111.64 | —0.23 | 1,422 |
| Est. sales: 33,336. Prev. sales: 32,716 | | | | | |
| Prev. open int.: 114,092 up 1,252 | | | | | |
| **LIBOR 1-MONTH (CMER)** $3 million- pts of 100 pct. | | | | | |
| Nov 97 | 94.36 | 94.32 | 94.35 | +0.04 | 40,711 |
| Dec 97 | 94.26 | 94.17 | 94.26 | +0.12 | 13,581 |
| Jan 98 | 94.34 | 94.29 | 94.34 | +0.08 | 4,102 |
| Est. sales 17,243 Fri's sales 6,765 | | | | | |
| Fri's open int 61,297, up 207 | | | | | |
| **EURODOLLARS (CMER)** $1 million-pts of 100 pct. | | | | | |
| Nov 97 | 94.26 | 94.20 | 94.26 | +0.08 | 24,051 |
| Dec 97 | 94.28 | 94.18 | 94.27 | +0.10 | 548,215 |
| Mar 98 | 94.25 | 94.14 | 94.24 | +0.11 | 421,515 |
| Jun 98 | 94.19 | 94.07 | 94.17 | +0.11 | 352,005 |
| Sep 98 | 94.12 | 93.99 | 94.11 | +0.14 | 255,494 |
| Dec 98 | 94.05 | 93.89 | 94.01 | +0.15 | 227,822 |
| Mar 99 | 94.01 | 93.89 | 94.00 | +0.15 | 161,164 |
| Jun 99 | 93.96 | 93.86 | 93.96 | +0.14 | 142,939 |
| Sep 99 | 93.93 | 93.82 | 93.92 | +0.14 | 109,113 |
| Dec 99 | 93.85 | 93.75 | 93.85 | +0.13 | 88,752 |
| Mar 00 | 93.85 | 93.74 | 93.85 | +0.12 | 71,282 |
| Jun 00 | 93.82 | 93.73 | 93.81 | +0.11 | 59,084 |
| Est. sales 849,314 Fri's sales 462,338 | | | | | |
| Fri's open int 2,796,880, off 7,468 | | | | | |
| **BRITISH POUND (CMER)** 62,500 pounds, $ per pound | | | | | |
| Dec 97 | 1.6574 | 1.6308 | 1.6536 | +.0252 | 36,128 |
| Mar 98 | 1.6500 | 1.6400 | 1.6496 | +.0246 | 258 |
| Jun 98 | | | 1.6430 | +.0238 | 71 |
| Est. sales 12,136 Fri's sales 4,864 | | | | | |
| Fri's open int 36,457, off 335 | | | | | |
| **CANADIAN DOLLAR (CMER)** 100,000 dollars, $ per Cdn. dlr | | | | | |
| Dec 97 | .7204 | .7146 | .7154 | -0.0045 | 55,118 |
| Mar 98 | .7230 | .7179 | .7187 | -0.0045 | 2,646 |
| Jun 98 | .7230 | .7210 | .7211 | -0.0045 | 530 |
| Est. sales 14,899 Fri's sales 8,768 | | | | | |
| Fri's open int 58,616, up 502 | | | | | |
| **GERMAN MARK (CMER)** 125,000 marks, $ per mark | | | | | |
| Dec 97 | .5712 | .5655 | .5707 | +0.0067 | 59,646 |
| Mar 98 | .5738 | .5700 | .5735 | +0.0067 | 2,561 |
| Jun 98 | .5760 | .5746 | .5760 | +0.0067 | 2,618 |
| Est. sales 24,763 Fri's sales 29,236 | | | | | |
| Fri's open int 64,932, off 1,444 | | | | | |
| **JAPANESE YEN (CMER)** 12.5 million yen, $ per 100 yen | | | | | |
| Dec 97 | .8288 | .8234 | .8244 | -0.0021 | 94,549 |
| Mar 98 | .8396 | .8353 | .8355 | -0.0022 | 985 |
| Jun 98 | | | .8468 | -0.0023 | 230 |
| Est. sales 12,158 Fri's sales 36,469 | | | | | |
| Fri's open int 95,765, up 534 | | | | | |
| **SWISS FRANC (CMER)** 125,000 francs, $ per franc | | | | | |
| Dec 97 | .6938 | .6856 | .6933 | +0.0076 | 41,467 |
| Mar 98 | .6995 | .6964 | .6996 | +0.0077 | 2,229 |
| Jun 98 | .7058 | .7038 | .7058 | +0.0078 | 265 |
| Est. sales 16,091 Fri's sales 19,056 | | | | | |
| Fri's open int 44,070, off 467 | | | | | |
| **MEXICAN PESO (CMER)** 500,000 pesos, $ per peso | | | | | |
| Dec 97 | .12380 | .11220 | .11400 | -.07177 | 25,899 |
| Mar 98 | .11710 | .10800 | .11000 | -.07163 | 9,917 |
| Jun 98 | .11350 | .10300 | .10350 | -.09290 | 2,931 |
| Est. sales 26,656 Fri's sales 19,364 | | | | | |
| Fri's open int 42,577, off 2,539 | | | | | |
| **3-MONTH STERLING (LIFFE)** £500,000 - pts of 100 pct | | | | | |
| Dec 97 | 92.64 | 92.60 | 92.61 | —0.01 | 134,255 |
| Mar 98 | 92.61 | 92.55 | 92.57 | —0.02 | 111,473 |
| Jun 98 | 92.62 | 92.55 | 92.58 | —0.02 | 79,716 |
| Sep 98 | 92.69 | 92.62 | 92.65 | —0.02 | 64,958 |
| Dec 98 | 92.82 | 92.75 | 92.77 | —0.02 | 64,170 |
| Mar 99 | 92.97 | 92.89 | 92.91 | —0.03 | 50,153 |
| Jun 99 | 93.09 | 93.04 | 93.05 | —0.02 | 39,531 |
| Sep 99 | 93.22 | 93.16 | 93.18 | —0.02 | 27,204 |
| Est. sales: 42,891. Prev. sales: 59,347 | | | | | |
| Prev. open int.: 641,725 up 4,961 | | | | | |
| **3-MONTH EUROMARK (LIFFE)** DM1 million - pts of 100 pct | | | | | |
| Nov 97 | 96.28 | 96.27 | 96.28 | +0.02 | 2,273 |
| Dec 97 | 96.21 | 96.19 | 96.20 | +0.02 | 296,313 |
| Jan 98 | 96.13 | 96.12 | 96.13 | +0.05 | 720 |
| Mar 98 | 95.94 | 95.89 | 95.92 | +0.04 | 332,618 |
| Jun 98 | 95.70 | 95.64 | 95.67 | +0.04 | 290,539 |
| Sep 98 | 95.51 | 95.44 | 95.48 | +0.06 | 196,258 |
| Dec 98 | 95.30 | 95.24 | 95.28 | +0.07 | 190,530 |
| Mar 99 | 95.15 | 95.08 | 95.12 | +0.07 | 181,250 |
| Jun 99 | 95.01 | 94.93 | 94.98 | +0.08 | 85,248 |
| Est. sales: 341,316. Prev. sales: 288,781 | | | | | |
| Prev. open int.: 1,796,846 up 13,380 | | | | | |
| **3-MONTH PIBOR (MATIF)** FF5 million - pts of 100 pct | | | | | |
| Dec 97 | 96.22 | 96.19 | 96.19 | + 0.01 | 40,881 |
| Mar 98 | 95.90 | 95.85 | 95.87 | + 0.04 | 48,107 |
| Jun 98 | 95.67 | 95.62 | 95.63 | + 0.05 | 30,928 |
| Sep 98 | 95.47 | 95.41 | 95.44 | + 0.07 | 18,456 |
| Dec 98 | 95.33 | 95.26 | 95.29 | + 0.07 | 23,789 |
| Mar 99 | 95.17 | 95.10 | 95.13 | + 0.07 | 45,421 |
| Jun 99 | 95.03 | 94.96 | 94.99 | + 0.07 | 11,540 |
| Est. sales: 72,344. | | | | | |
| Open int.: 245,323 off 5,427. | | | | | |
| **3-MONTH EUROLIRA (LIFFE)** ITL 1 million - pts of 100 pct | | | | | |
| Dec 97 | 93.84 | 93.76 | 93.79 | —0.02 | 105,840 |
| Mar 98 | 94.55 | 94.44 | 94.46 | —0.02 | 105,365 |
| (continued) | | | | | |
| Jun 98 | 94.94 | 94.86 | 94.88 | Unch. | 98,826 |
| Sep 98 | 95.04 | 94.95 | 94.98 | Unch. | 63,652 |
| Dec 98 | 95.05 | 94.95 | 94.98 | +0.01 | 59,595 |
| Est. sales: 45,832. Prev. sales: 53,634 | | | | | |
| Prev. open int.: 480,204 up 3,798 | | | | | |

### Industrials

| | High | Low | Latest | Chge | OpInt |
|---|---|---|---|---|---|
| **COTTON 2 (NCTN)** 50,000 lbs.- cents per lb. | | | | | |
| Dec 97 | 72.45 | 71.40 | 71.52 | -0.61 | 47,472 |
| Mar 98 | 73.75 | 72.75 | 72.86 | -0.60 | 17,337 |
| May 98 | 74.30 | 73.55 | 73.65 | -0.46 | 9,421 |
| Jul 98 | 75.50 | 74.50 | 74.51 | -0.66 | 9,316 |
| Oct 98 | 75.35 | 75.15 | 75.15 | -0.25 | 843 |
| Est. sales N.A. Fri's sales 8,388 | | | | | |
| Fri's open int 94,395, up 1,058 | | | | | |
| **HEATING OIL (NMER)** 42,000 gal, cents per gal | | | | | |
| Nov 97 | 58.40 | 57.05 | 57.74 | +0.71 | 25,545 |
| Dec 97 | 59.40 | 58.05 | 58.71 | +0.72 | 52,555 |
| Jan 98 | 60.06 | 59.20 | 59.41 | +0.72 | 22,798 |
| Feb 98 | 60.25 | 59.50 | 59.71 | +0.72 | 12,205 |
| Mar 98 | 59.60 | 59.10 | 59.16 | +0.72 | 8,467 |
| Apr 98 | 57.80 | 57.60 | 57.66 | +0.72 | 5,260 |
| May 98 | | | 56.31 | +0.72 | 3,492 |
| Est. sales N.A. Fri's sales 39,381 | | | | | |
| Fri's open int 140,970, up 8 | | | | | |
| **LIGHT SWEET CRUDE (NMER)** 1,000 bbl.- dollars per bbl. | | | | | |
| Dec 97 | 21.44 | 20.97 | 21.07 | +0.10 | 116,768 |
| Jan 98 | 21.50 | 21.12 | 21.15 | +0.09 | 54,458 |
| Feb 98 | 21.41 | 21.10 | 21.10 | +0.08 | 32,214 |
| Mar 98 | 21.35 | 21.00 | 21.00 | +0.05 | 18,174 |
| Apr 98 | 21.25 | 20.91 | 20.91 | +0.02 | 14,189 |
| May 98 | 21.10 | 20.83 | 20.83 | +0.01 | 13,152 |
| Est. sales N.A. Fri's sales 85,485 | | | | | |
| Fri's open int 402,769, up 22,780 | | | | | |
| **NATURAL GAS (NMER)** 10,000 mm btu's, $ per mm btu | | | | | |
| Nov 97 | 3.800 | 3.590 | 3.790 | +0.242 | 38,137 |
| Dec 97 | 3.865 | 3.680 | 3.820 | +0.178 | 58,349 |
| Jan 98 | 3.689 | 3.560 | 3.689 | +0.150 | 31,899 |
| Feb 98 | 3.200 | 3.120 | 3.180 | +0.090 | 22,357 |
| Mar 98 | 2.780 | 2.710 | 2.765 | +0.071 | 16,271 |
| Apr 98 | 2.450 | 2.405 | 2.430 | +0.045 | 9,599 |
| Est. sales N.A. Fri's sales 84,724 | | | | | |
| Fri's open int 265,612, up 4,857 | | | | | |
| **UNLEADED GASOLINE (NMER)** 42,000 gal, cents per gal | | | | | |
| Nov 97 | 60.70 | 59.80 | 59.95 | +0.35 | 20,301 |
| Dec 97 | 60.70 | 59.70 | 59.92 | +0.42 | 29,203 |
| Jan 98 | 60.70 | 59.75 | 59.94 | +0.42 | 17,578 |
| Feb 98 | 61.00 | 60.22 | 60.22 | +0.42 | 7,316 |
| Mar 98 | 61.30 | 60.72 | 60.72 | +0.40 | 5,857 |
| Apr 98 | 63.80 | 63.22 | 63.22 | -0.73 | 5,178 |
| May 98 | | | 62.97 | +0.35 | 3,794 |
| Jun 98 | | | 62.42 | +0.35 | 3,148 |
| Est. sales N.A. Fri's sales 30,032 | | | | | |
| Fri's open int 99,050, up 1,935 | | | | | |
| **GASOIL (IPE)** U.S. dollars per metric ton - lots of 100 tons | | | | | |
| Nov 97 | 182.00 | 179.75 | 180.25 | —1.75 | 32,245 |
| Dec 97 | 183.50 | 181.50 | 182.00 | —1.75 | 20,830 |
| Jan 98 | 184.25 | 182.50 | 182.50 | —1.50 | 14,008 |
| Feb 98 | 184.00 | 182.00 | 182.75 | —1.00 | 7,780 |
| Mar 98 | 181.25 | 181.25 | 181.50 | —1.00 | 5,608 |
| Apr 98 | 179.25 | 178.25 | 179.00 | —0.75 | 2,584 |
| Est. sales: 9,500. Prev. sales: 12,334 | | | | | |
| Prev. open int.: 99,157 off 1,815 | | | | | |

### Stock Indexes

| | High | Low | Latest | Chge | OpInt |
|---|---|---|---|---|---|
| **SP COMP INDEX (CMER)** 500 x index | | | | | |
| Dec 97 | 944.00 | 874.00 | 874.00 | -70.00 | 191,149 |
| Mar 98 | 953.75 | 887.00 | 887.00 | -67.40 | 4,559 |
| Jun 98 | 951.75 | 951.75 | 951.75 | -12.50 | 1,547 |
| Est. sales N.A. Fri's sales 80,615 | | | | | |
| Fri's open int 197,861, up 985 | | | | | |
| **FTSE 100 (LIFFE)** £25 per index point | | | | | |
| Dec 97 | 4890.0 | 4930.0 | 4884.0 | —111.0 | 72,841 |
| Mar 98 | 4971.0 | 4971.0 | 4929.5 | —112.0 | 2,406 |
| Est. sales: 13,453. Prev. sales: 14,322 | | | | | |
| Prev. open int.: 75,247 up 376 | | | | | |
| **CAC 40 (MATIF)** FF200 per index point | | | | | |
| Oct 97 | 2810.0 | 2733.0 | 2760.0 | — 87.0 | 29,751 |
| Nov 97 | 2814.5 | 2740.0 | 2767.5 | — 87.5 | 17,791 |
| Dec 97 | 2821.0 | 2750.0 | 2774.5 | — 87.5 | 18,132 |
| Mar 98 | 2793.0 | 2781.0 | 2799.0 | — 89.0 | 10,321 |
| Jun 98 | N.T. | N.T. | 2773.5 | — 87.0 | 1,525 |
| Est. sales: 45,881. | | | | | |
| Open int.: 91,599 off 1,331. | | | | | |

### Commodity Indexes

| | Close | Previous |
|---|---|---|
| Moody's | 1,518.40 | 1,522.20 |
| Reuters | 1,843.80 | 1,853.20 |
| D.J. Futures | 144.12 | 144.72 |
| CRB | 242.51 | 242.44 |

*Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.*

**See our Arts and Antiques every Saturday**

# AMEX

## Monday's 4 P.M. Close

The 300 most traded stocks of the day, up to the closing on Wall Street.

*The Associated Press.*

| Stock | Sales | High | Low | Latest | Chge |
|---|---|---|---|---|---|
| AMC | 233 | 19¼ | 18⅞ | 18⅞ | -1 |
| ARC | 2201 | 6⅛ | 5⅜ | 5⅝ | -⅞ |
| ARM Fn | 899 | 22 | 21⅝ | 21⅞ | +1/16 |
| Acmtlrea | 176 | 23⅜ | 23⅛ | 23⅛ | -⅜ |
| AerpoRB n | 519 | 11⅝ | 11½ | 11⅛ | -⅜ |
| AirWat | 287 | 1⅞ | 1½ | 1⅞ | [illegible] |
| Almacd s | 282 | 8⅛ | 8 | 8 | -⅛ |
| AlldRsh | 1152 | 15⅜ | 13⅞ | 14 | -1 |
| Alpharm | 871 | 16⅜ | 14⅞ | 14⅝ | -1⅝ |
| AltLiving | 782 | 26⅞ | 25⅝ | 25⅝ | -1⅛ |
| Amerco n | 554 | [illegible] | [illegible] | [illegible] | [illegible] |
| AmShrd | 238 | [illegible] | [illegible] | [illegible] | [illegible] |
| ATechC | 208 | [illegible] | [illegible] | [illegible] | [illegible] |
| Ampal | 248 | [illegible] | [illegible] | [illegible] | [illegible] |
| Ampex | 2385 | [illegible] | [illegible] | [illegible] | [illegible] |
| Amtec n | 291 | [illegible] | [illegible] | [illegible] | [illegible] |
| AndeaEs | 3054 | [illegible] | [illegible] | [illegible] | [illegible] |
| AngMtg | 157 | [illegible] | [illegible] | [illegible] | [illegible] |
| AppleOrt n | 146 | [illegible] | [illegible] | [illegible] | [illegible] |
| ArmorH | 193 | [illegible] | [illegible] | [illegible] | [illegible] |
| AstLiving s | 1556 | [illegible] | [illegible] | [illegible] | [illegible] |
| Atlantic | 158 | [illegible] | [illegible] | [illegible] | [illegible] |
| AudioBC n | 1134 | [illegible] | [illegible] | [illegible] | [illegible] |
| Audvox | 1028 | [illegible] | [illegible] | [illegible] | [illegible] |
| Autotote | 1512 | [illegible] | [illegible] | [illegible] | [illegible] |
| Avogen un | 175 | [illegible] | [illegible] | [illegible] | [illegible] |
| Azco | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| BAT Ind | 1237 | [illegible] | [illegible] | [illegible] | [illegible] |
| BFX Hosp | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| BHC | 1884 | [illegible] | [illegible] | [illegible] | [illegible] |
| Baker | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Baldor | 353 | [illegible] | [illegible] | [illegible] | [illegible] |
| Bally s | 231 | [illegible] | [illegible] | [illegible] | [illegible] |
| BarrLab s | 570 | [illegible] | [illegible] | [illegible] | [illegible] |
| Bayou | 247 | [illegible] | [illegible] | [illegible] | [illegible] |
| BeardCo | 164 | [illegible] | [illegible] | [illegible] | [illegible] |
| BemaGold | 9963 | [illegible] | [illegible] | [illegible] | [illegible] |
| BioR A | 238 | [illegible] | [illegible] | [illegible] | [illegible] |
| BioRCp | 271 | [illegible] | [illegible] | [illegible] | [illegible] |
| BlessT | 211 | [illegible] | [illegible] | [illegible] | [illegible] |
| BellTech | 183 | [illegible] | [illegible] | [illegible] | [illegible] |
| Bowne | 327 | [illegible] | [illegible] | [illegible] | [illegible] |
| BRB US | 188 | [illegible] | [illegible] | [illegible] | [illegible] |
| CE Frnk g | 2615 | [illegible] | [illegible] | [illegible] | [illegible] |

| Stock | Sales | High | Low | Latest | Chge |
|---|---|---|---|---|---|
| FrontAdj | 269 | 3⅞ | 3⅝ | 3¾ | +⅛ |
| GST Tele | 1616 | 15⅞ | 13⅝ | 13⅝ | -1⅝ |
| GamaB | 372 | 5⅛ | 5⅛ | 5⅛ | -⅛ |
| GaylCo | 1117 | 7⅞ | 7¼ | 7⅝ | -⅛ |
| Gencor s | 1258 | 14⅛ | 13⅝ | 13⅝ | +⅛ |
| GnAuto | 412 | 1⅞ | 1⅝ | 1⅝ | -⅛ |
| GnEmp | 187 | 19½ | 18⅝ | 18⅝ | -1⅛ |
| GenrCr | 188 | 17 | 16 | 16 | -1⅛ |
| GoldStGd | 1777 | 37¼ | 32⅝ | 32⅝ | -4⅝ |
| GlobalFd | 816 | 33 | 29⅝ | 29⅝ | -3⅝ |
| GlobIB | 654 | 21⅞ | 19⅞ | 20⅝ | -1 |
| GlobInd | 264 | 13⅞ | 12⅛ | 12⅛ | -1⅝ |
| GlobInt | 653 | 3 | 2⅝ | 2⅝ | -⅜ |
| GoVideo | 886 | 2⅝ | 2⅛ | 2⅛ | -⅛ |
| GldStarR | 1678 | 5⅝ | 4⅝ | 4⅝ | -1⅛ |
| GormRup | 198 | 19⅝ | 18⅝ | 18⅝ | -⅝ |
| GrahamCp | 231 | 20⅜ | 19⅝ | 19½ | -1⅛ |
| GtlBayC | 327 | 1⅜ | 1⅛ | 1⅜ | -⅛ |
| GreyWolf | 4075 | 9 | 7⅝ | 7⅝ | -1⅜ |
| GuylandL | 6142 | 4⅛ | 3⅝ | 4 | -⅛ |
| HallwdMar | 1141 | 55¼ | 47⅝ | 49⅝ | -6⅛ |
| HampOr | 303 | 12¾ | 11⅝ | 11⅝ | -1⅛ |
| HanovrC wi | 215 | 18⅝ | 18 | 18 | -⅝ |
| HarvDir | 764 | 1⅞ | 1⅝ | 1⅝ | -⅛ |
| Harken | 11109 | 6⅞ | 6⅛ | 6⅝ | -⅜ |
| Hasbro s | 3601 | 28⅞ | 27⅛ | 27⅝ | -1⅛ |
| HawAir | 443 | 4 | 3⅝ | 3⅝ | -⅛ |
| Heex | 10026 | 1⅞ | 1⅛ | 1⅛ | -⅛ |
| Heico | 209 | 36¾ | 35 | 35 | -1½ |
| Hemispx | 498 | 4⅛ | 3⅝ | 3⅝ | -⅝ |
| HomeSecr n | 165 | 12⅞ | 10⅝ | 10⅝ | -1⅝ |
| HomeVil n | 690 | 15⅝ | 14⅛ | 14⅛ | -1⅛ |
| HomeV wt | 1114 | 5⅝ | 4⅝ | 4⅝ | -⅝ |
| Hondo | 195 | 9⅝ | 8⅝ | 8⅝ | -⅛ |
| HouseH s | 593 | 14⅛ | 13⅝ | 13⅝ | -⅛ |
| HrzPhn s | 243 | 14⅛ | 13⅛ | 13⅛ | -1 |
| HospRude | 2083 | 13 | 10½ | 10⅝ | -2⅜ |
| Howtek | 640 | 7⅞ | 7⅛ | 7⅛ | -⅛ |
| ICH Cp n | 204 | 3½ | 3⅛ | 3⅛ | -⅜ |
| INH Cho | 438 | 18⅝ | 17⅝ | 17⅝ | -⅝ |
| Ideon | 1152 | 10⅝ | 9⅝ | 9⅝ | -⅝ |
| ImpChlg | 1127 | 27⅛ | 25⅝ | 25⅝ | -1½ |
| ImpOil g | 1442 | 61⅞ | 59⅝ | 59⅝ | -2⅝ |
| Infocure n | 288 | 7⅜ | 6⅜ | 6⅜ | -1 |
| Instron | 285 | 16⅝ | 15⅛ | 15⅛ | -1⅛ |
| IntlRemy wi | 285 | 20 | 18⅝ | 18⅝ | -1⅛ |
| IntThr | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Intmagn | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| IntCmst | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Interstn | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| IonLaser | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| IvaxDg | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| JTS Corp | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| JanBell | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| KFX Inc | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| KV Ph A | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

| Stock | Sales | High | Low | Latest | Chge |
|---|---|---|---|---|---|
| SoboPet s | 1258 | 11⅝ | 10⅝ | 10⅝ | -1⅛ |
| Scoph | 146 | 8⅞ | 8⅛ | 8⅛ | -⅝ |
| Sellcorp | 446 | 12⅞ | 11⅜ | 11⅝ | -⅞ |
| ShefldPharm | 173 | 2⅝ | 2⅜ | 2⅝ | -⅛ |
| ShellCa | 1294 | 17⅞ | 17⅝ | 17⅝ | -⅛ |
| SilverFds | 935 | ⅜ | ⅛ | ⅛ | -⅛ |
| SirdBio | 141 | 10⅝ | 10½ | 10½ | -⅛ |
| SmthBrnM | 171 | 14⅝ | 14⅛ | 14⅛ | -⅝ |
| SPDR | 108087 | 93⅞ | 86⅞ | 87⅞ | -6⅝ |
| SP Mid | 2292 | 63⅞ | 59⅝ | 60⅝ | -4⅛ |
| StarrCp | 403 | 12 | 11⅝ | 11⅝ | -⅜ |
| SterlnA | 565 | 2⅝ | 2⅛ | 2⅛ | -⅛ |
| SiflectrN | 441 | 20⅝ | 19⅛ | 19⅛ | -1⅝ |
| StgyCorp | 165 | 9⅝ | 9⅛ | 9⅝ | -⅛ |
| Solcus | 1587 | 3⅝ | 3⅜ | 3⅜ | -⅛ |
| Sunlite | 195 | 1⅜ | 1 | 1⅜ | — |
| SunbyC | 188 | 6⅞ | 6½ | 6⅝ | -⅝ |
| Sybron | 148 | 33⅝ | 32⅛ | 32⅝ | -⅝ |
| TelR | 578 | 29⅞ | 27⅝ | 27⅝ | -1⅝ |
| TelDta | 1027 | 44⅝ | 42 | 42 | -1⅝ |
| TexBiotch | 4525 | 6 | 5⅝ | 5⅝ | -⅝ |
| TexMl wt | 288 | 1⅞ | 1⅜ | 1⅜ | — |
| ThrmDel n | 239 | 10⅝ | 9⅝ | 9⅝ | -⅝ |
| Thrmdy | 829 | 18⅝ | 16⅝ | 16⅝ | -2 |
| ThrmBio | 231 | 17⅝ | 17⅛ | 17⅛ | — |
| ThCardio | 661 | 24 | 21⅝ | 21⅝ | -2⅝ |
| ThrmFib | 243 | 12 | 11½ | 11½ | -⅛ |
| Thrmst | 199 | 36⅝ | 34⅛ | 34⅝ | -2⅛ |
| Thrmolase | 613 | 17⅛ | 15⅝ | 15⅝ | -1½ |
| Thrmotx | 462 | 24 | 23⅛ | 23⅝ | -⅝ |
| Thrmrd | 202 | 2⅝ | 2⅜ | 2⅜ | -⅛ |
| Tipperary | 215 | 5⅞ | 5⅝ | 5⅝ | -⅛ |
| TopSrce | 1438 | 2⅛ | 1⅞ | 1⅞ | -⅛ |
| TownCty | 225 | ⅝ | ½ | ½ | — |
| TWA | 6866 | 7⅞ | 6⅞ | 7 | -⅝ |

| Stock | Sales | High | Low | Latest | Chge |
|---|---|---|---|---|---|
| Transmedia | 164 | 17⅛ | 16⅝ | 16⅝ | -⅛ |
| TransMed | 289 | 13⅝ | 12⅞ | 12⅞ | -1⅛ |
| TriaTech | 282 | 7⅝ | 7 | 7½ | -⅛ |
| TubMex | 8456 | 24⅞ | 18⅝ | 18⅝ | -5⅝ |
| US Lig n | 304 | 16⅛ | 16 | 16 | -⅛ |
| USFGP | 237 | 17⅝ | 17⅛ | 17⅝ | -⅛ |
| UTI Eng s | 2672 | 47⅜ | 40⅝ | 42⅛ | -5⅜ |
| Unilab | 893 | 2⅛ | 1⅞ | 1⅞ | -⅛ |
| Unimar | 361 | 4⅞ | 4⅝ | 4⅝ | — |
| UnigMkt | 424 | 7½ | 7 | 7 | -⅝ |
| USBiosci | 1639 | 11⅝ | 10⅝ | 10⅝ | -1⅛ |
| US Cell | 807 | 33⅝ | 32⅜ | 32⅝ | -1⅛ |
| USExplor | 179 | 4⅞ | 3⅝ | 3⅝ | -⅛ |
| VKCsl | 257 | 12⅝ | 12 | 12 | -⅝ |
| ViacomA | 1860 | 29⅝ | 28⅛ | 28⅛ | -1⅛ |
| ViacB | 7060 | 29⅝ | 27⅛ | 27⅝ | -1⅝ |
| Viac wtE | 325 | ⅝ | ¼ | ¼ | -⅛ |
| ViaoG g | 1174 | ⅝ | ⅜ | ⅝ | |
| WRIT | 463 | 16⅝ | 16 | 16⅛ | -⅝ |
| Webcraft | 327 | 7⅝ | 7⅛ | 7⅛ | -⅝ |
| WellCrd | 167 | 6⅝ | 5⅝ | 6 | -⅝ |
| WRET | 325 | 14⅝ | 14 | 14 | -⅛ |
| Weather un | 591 | 8⅛ | 7⅝ | 7⅝ | -⅛ |
| WirelessT | 1716 | 8 | 7 | 7⅝ | -⅝ |
| WEBAstr | 148 | 10⅛ | 10⅛ | 10⅛ | -⅛ |
| WEBCan | 474 | 14⅝ | 13⅝ | 13⅝ | -⅝ |
| WEBGer | 155 | 16⅞ | 16⅛ | 16⅝ | -⅝ |
| WEB HK | 1008 | 11⅛ | 10½ | 10½ | -1 |
| WEB Ita | 648 | 18⅝ | 17⅛ | 17½ | -1⅛ |
| WEB Jpn | 948 | 11⅝ | 10⅞ | 11 | -⅝ |
| WEB Mal | 247 | 6⅝ | 6 | 6⅛ | -⅝ |
| WEB Mex | 208 | 15⅝ | 13 | 13⅝ | -2⅝ |
| WEB Sing | 357 | 7⅝ | 6⅝ | 7⅛ | -⅝ |
| WEB Spa | 350 | 18½ | 18⅛ | 18⅛ | -1⅛ |
| WEB UK | 380 | 17⅝ | 17 | 17 | -⅝ |
| XCL Ltd | 14223 | ⅝ | ½ | ½ | -⅛ |

AP
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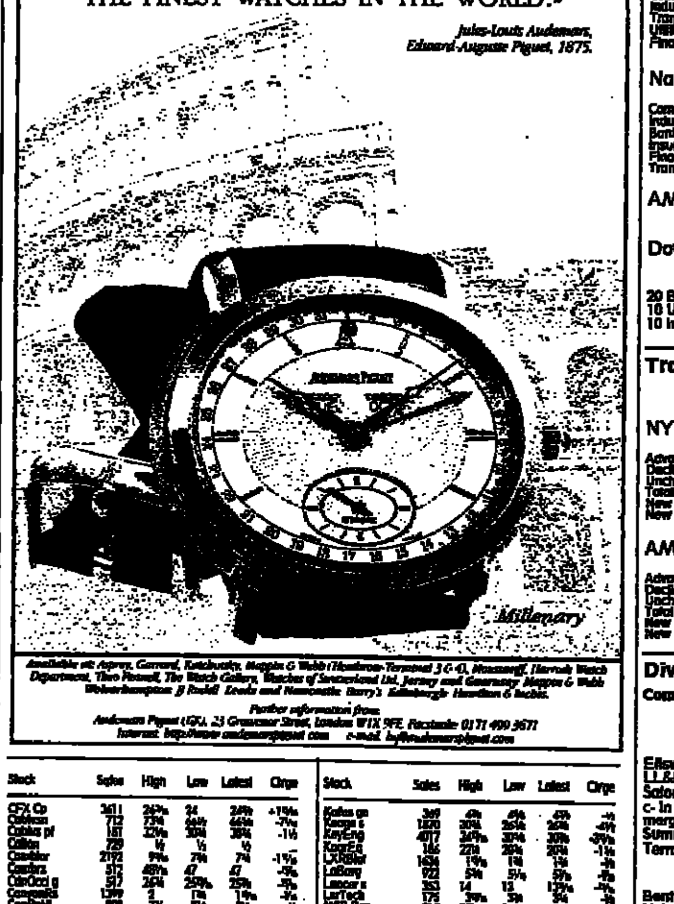



*Available at: Asprey, Garrard, Kutchinsky, Mappin & Webb (Heathrow-Terminal 3 & 4), Mountroff, Harrods Watch Department, Theo Fennell, The Watch Gallery, Watches of Switzerland Ltd, Jersey and Guernsey: Mappin & Webb Wolverhampton: JJ Rudell. Leeds and Newcastle: Berry's. Edinburgh: Hamilton & Inches.*

*Further information from: Audemars Piguet (GB), 23 Grosvenor Street, London W1X 9FE. Facsimile 0171 409 3677*
*Internet: http://www.audemarspiguet.com e-mail: [illegible]*

| Stock | Sales | High | Low | Latest | Chge |
|---|---|---|---|---|---|
| CFX Cp | 3611 | 26⅞ | 24 | 24⅞ | +1⅝ |
| Cablvsn | 712 | 73⅝ | 66½ | 66⅝ | -7⅛ |
| Cablvs pf | 181 | 32⅝ | 30⅞ | 30⅞ | -1½ |
| Calton | 729 | ½ | ½ | ½ | — |
| Cambior | 2192 | 9⅛ | 7⅝ | 7⅝ | -1⅝ |
| Cambrx | 517 | 48⅞ | 47 | 47 | -⅝ |
| CdnOccl g | 517 | 26⅛ | 25⅞ | 25⅞ | -⅝ |
| CompuRS | 1399 | 2 | 1⅞ | 1⅞ | -⅛ |
| CapPCH | 288 | 3⅝ | 3⅛ | 3½ | -⅛ |
| Canmkr n | 784 | 26⅛ | 25½ | 25⅝ | -⅝ |
| Cellc wt | 223 | ⅝ | ½ | ½ | -⅛ |
| CelSci | 989 | 7⅛ | 6½ | 6⅝ | -1 |
| CFCda g | 1194 | 3⅝ | 3⅜ | 3⅝ | |
| ChartFS s | 324 | 13⅝ | 12⅝ | 12⅝ | -1 |
| ChtdMkt n | 475 | 11⅝ | 11⅛ | 11⅛ | -⅝ |
| ChaseCp | 157 | 14⅛ | 13⅝ | 13⅝ | -⅝ |
| Chief | 177 | 26⅞ | 25⅛ | 25⅛ | -1⅛ |
| Citadel | 165 | 3⅝ | 3⅝ | 3⅝ | -⅛ |
| Cognitn | 853 | 19⅛ | 14⅝ | 14⅝ | -4⅝ |
| CohenStr | 209 | 12½ | 11⅞ | 11⅞ | -⅝ |
| ColLb | 2279 | 16½ | 13⅝ | 14⅝ | -2⅛ |
| Comforce | 467 | 8⅛ | 7⅛ | 8⅛ | +⅛ |
| CredAcl | 288 | 7⅝ | 7 | 7 | -⅝ |
| CrdpAp | 225 | 3½ | 3 | 3 | -⅛ |
| Crestron | 418 | 6⅛ | 5⅜ | 5⅝ | -⅝ |
| CrestMall | 422 | 4⅞ | 3⅞ | 3⅝ | -⅝ |
| CurrAr | 345 | 19⅛ | 18⅝ | 18⅝ | -⅝ |
| CallsV gn | 819 | 4⅛ | 4 | 4 | -⅛ |
| Cross | 877 | 10 | 9⅝ | 9½ | -⅛ |
| ecOwnL | 510 | ¼ | ⅛ | ¼ | -⅛ |
| CrsAm | 125 | 9⅝ | 8½ | 8½ | -⅝ |
| Crystlx gn | 1719 | 5⅛ | 4⅝ | 4⅝ | -⅝ |
| Cubic | 148 | 33⅞ | 31⅛ | 31⅝ | -1⅝ |
| Cybexintl | 241 | 11⅞ | 11⅛ | 11⅛ | -⅝ |
| Cyanxm | 397 | 2⅝ | 2⅛ | 2⅛ | -⅛ |
| DRS Tech | 148 | 12⅞ | 12⅛ | 12⅝ | -⅛ |
| DatatAll | 4073 | ⅜ | ¼ | ⅜ | +⅛ |
| Datamet | 448 | 1⅞ | 1⅝ | 1⅝ | -⅛ |
| DaylonMn | 961 | 2⅞ | 2⅝ | 2⅝ | -⅛ |
| DevnE | 392 | 45⅛ | 44⅝ | 44⅝ | -⅛ |
| DigitCT | 210 | ⅜ | ¼ | ⅜ | -⅛ |
| Diodes | 465 | 14⅛ | 13⅝ | 13⅝ | -⅜ |
| DivCpRs n | 169 | 9⅝ | 9⅛ | 9⅛ | -⅛ |
| Duramed s | 188 | 12⅝ | 11⅝ | 12⅛ | -⅛ |
| DryBlu | 227 | 10⅞ | 10⅛ | 10⅛ | -⅝ |
| EchoBay | 9343 | 4⅝ | 4⅛ | 4⅝ | -⅛ |
| EagleBa gn | 145 | 18⅛ | 17½ | 17½ | -1½ |
| ElPasoE | 2839 | 6⅛ | 6⅛ | 6⅛ | -⅛ |
| Elswth | 474 | 11⅞ | 11⅝ | 11⅝ | -⅛ |
| Emerlns | 536 | 14⅞ | 14⅛ | 14⅛ | -⅛ |
| EnerR | 578 | ½ | ⅜ | ½ | +⅛ |
| EnvrCor | 443 | 2 | 1⅞ | 1⅞ | -⅛ |
| Envirold | 868 | 4⅞ | 4⅝ | 4⅝ | -⅛ |
| EnzoBI | 1265 | 18⅝ | 16⅝ | 16⅝ | -2⅝ |
| Equusll | 637 | 24⅝ | 21½ | 21⅝ | -3⅝ |
| Espey | 195 | 17½ | 17⅛ | 17⅝ | -⅝ |
| FAust | 1429 | 7⅝ | 7 | 7 | -⅝ |
| FAusPr | 9511 | 8⅛ | 7⅝ | 7⅝ | -⅝ |
| FallidA n | 202 | 25⅞ | 19½ | 19⅞ | -4½ |
| FlaRck | 149 | 54⅛ | 51⅜ | 51⅛ | -2⅝ |
| FoodL b | 1488 | 46½ | 44⅝ | 44⅝ | -2⅝ |
| ForHiRR | 398 | 3⅞ | 2⅞ | 2⅞ | -⅜ |
| FrnkSel | 188 | 6⅛ | 5⅞ | 5⅞ | -⅝ |
| FreqEl | 643 | 26⅛ | 22⅛ | 24 | -2⅝ |

| Stock | Sales | High | Low | Latest | Chge |
|---|---|---|---|---|---|
| Kafus gn | 369 | 4⅞ | 4⅝ | 4⅝ | -⅛ |
| Keane s | 1870 | 30⅜ | 26⅝ | 26⅝ | -4½ |
| KeyEng | 4017 | 34⅝ | 30⅝ | 30⅝ | -3⅞ |
| KoorEn | 146 | 22⅛ | 20⅛ | 20⅝ | -1⅛ |
| LXRBior | 1636 | 1⅝ | 1⅛ | 1⅛ | -⅛ |
| LaBarg | 922 | 5⅝ | 5⅛ | 5⅛ | -⅛ |
| Lancer s | 353 | 14 | 13 | 13⅛ | -⅞ |
| LarTech | 175 | 3⅞ | 3⅝ | 3⅝ | -⅛ |
| MSB Bcp | 215 | 28⅝ | 27½ | 27⅝ | -⅜ |
| MSR | 485 | 1⅛ | 1⅛ | 1⅛ | — |
| MagnHunt | 2619 | 7⅝ | 6⅝ | 6⅝ | -⅝ |
| MaxidCO s | 3435 | 49⅝ | 45⅛ | 45⅝ | -5⅝ |
| MergGrp n | 1486 | 5 | 4⅝ | 4⅝ | -⅛ |
| MedaPh | 361 | 15⅝ | 14⅝ | 14⅝ | -1⅛ |
| Medcr | 321 | 15⅞ | 14⅛ | 14⅛ | -1⅝ |
| MediaLog | 283 | 1⅝ | 1⅝ | 1⅝ | -⅛ |
| Medlq | 151 | 8⅞ | 8⅛ | 8⅛ | -⅜ |
| Medtox | 2708 | ⅜ | ¼ | ⅜ | -⅛ |
| MLRussl n | 271 | 9⅞ | 9⅛ | 9⅝ | -⅛ |
| MLEur02 n | 483 | 9⅞ | 8⅞ | 8⅞ | -⅛ |
| Metromdia | 2950 | 12⅞ | 10⅝ | 11⅞ | -1⅝ |
| Metrom pf | 155 | 53⅞ | 50⅝ | 50⅝ | -4⅝ |
| MiecstEn | 462 | 25⅛ | 23 | 23⅝ | -2⅝ |
| Millennix | 148 | 4 | 3⅝ | 3⅝ | -⅛ |
| MitieLad | 1529 | 14 | 14 | 14 | — |
| Monogl | 419 | 9⅝ | 9⅛ | 9⅝ | -⅛ |
| NTNCan | 1573 | 2 | 1⅝ | 1⅝ | -⅛ |
| NVR | 238 | 23 | 22 | 22 | -1⅛ |
| Nabors | 8226 | 44½ | 37⅝ | 37⅞ | -6⅝ |
| NtPatnt | 868 | 15⅞ | 14⅝ | 14⅝ | -1⅛ |
| NA Vacc | 544 | 29⅞ | 27 | 27⅝ | -1⅞ |
| NtlAuTchr | 765 | 10 | 9⅝ | 10 | -⅛ |
| Newcor | 228 | 5 | 4⅝ | 4⅝ | -⅛ |
| Nobel s | 297 | 3⅞ | 2⅝ | 2⅝ | -⅛ |
| OlsteinC | 152 | 10⅝ | 10 | 10 | -⅝ |
| OneWall | 748 | ⅛ | 1/16 | ⅛ | +1/16 |
| Oscar | 398 | 4⅞ | 4 | 4 | -⅝ |
| Organogn s | 4238 | 31⅝ | 28 | 28 | -3⅝ |
| Orion | 227 | 7⅞ | 6⅞ | 6⅞ | -⅝ |
| PC Quote | 292 | 1⅞ | 1⅝ | 1⅞ | — |
| PLC Sys | 2136 | 13⅞ | 11⅝ | 12 | -1⅝ |
| PanAmCo | 248 | 3⅞ | 3⅝ | 3⅝ | -⅛ |
| PegasC | 1571 | 12⅛ | 11½ | 11⅝ | -⅝ |
| PenGld | 4484 | 4⅝ | 4⅛ | 4⅝ | -⅛ |
| PeopleTel | 1114 | 3⅞ | 3⅝ | 3⅝ | -⅛ |
| Phibro | 1296 | 1⅝ | 1⅝ | 1⅝ | -⅛ |
| Playmat | 375 | 3⅝ | 3⅛ | 3⅝ | -⅛ |
| Polymed | 759 | 11⅛ | 9⅞ | 10⅛ | -⅝ |
| Polyph | 921 | 1⅝ | 1⅛ | 1⅝ | +⅛ |
| PortSys | 272 | 3⅝ | 2⅞ | 2⅞ | -⅜ |
| PrmILg | 1617 | 32½ | 29⅝ | 29⅝ | -3⅛ |
| ProCtr | 291 | 9⅛ | 8⅝ | 8⅝ | -⅛ |
| Pricel | 347 | 11⅞ | 10⅛ | 10⅛ | -⅝ |
| Promo | 188 | 2⅝ | 2⅝ | 2⅝ | -⅛ |
| PsychCp | 286 | 6⅞ | 5⅝ | 6 | -⅛ |
| PalloWtr n | 960 | 6⅝ | 6⅛ | 6⅛ | -⅛ |
| QC Opt s | 188 | 5 | 4⅝ | 4⅝ | -⅛ |
| RF Pow | 1275 | 4⅞ | 3⅝ | 4 | -⅛ |
| RoyGold | 2864 | ⅝ | ⅜ | ⅜ | -⅛ |
| Retec | 389 | 12⅞ | 10⅜ | 11 | -1⅝ |
| Republ | 407 | 26⅝ | 24⅝ | 24⅝ | -1⅝ |
| Rigid | 999 | 10⅛ | 9⅛ | 9⅛ | -⅝ |
| RobotsPh | 1501 | 10⅞ | 9⅝ | 9⅝ | -1⅛ |
| Rotonic | 195 | 1⅜ | 1⅛ | 1⅜ | +⅛ |
| RoyalO g | 7556 | 2⅜ | 2¼ | 2⅜ | -⅛ |

# U. S. STOCK MARKET DIARY

## Indexes

**Dow Jones**

| | Open | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| Indus | 7633.14 | 7715.41 | 7159.92 | 7161.15 | -554.26 |
| Trans | 3310.36 | 3239.14 | 3003.51 | 3004.58 | -234.56 |
| Util | 245.08 | 246.84 | 237.41 | 237.44 | -9.12 |
| Comp | 2503.25 | 2527.00 | 2358.13 | 2358.51 | -164.49 |

**Standard & Poors**

| | High | Previous Low | Close | Today 4:00 |
|---|---|---|---|---|
| Industrials | — | — | 1095.36 | 1019.10 |
| Transp. | — | — | 693.80 | 643.90 |
| Utilities | — | — | 209.10 | 202.07 |
| Finance | — | — | 113.41 | 105.44 |
| SP 500 | — | — | 941.64 | 876.99 |
| SP 100 | — | — | 896.59 | 835.20 |

**NYSE**

| | High | Low | Last | Chg. |
|---|---|---|---|---|
| Composite | 495.77 | 463.15 | 463.21 | -32.55 |
| Industrials | 619.31 | 576.20 | 576.81 | -42.50 |
| Transp. | 470.90 | 438.23 | 438.28 | -32.62 |
| Utility | 303.13 | 288.25 | 288.27 | -14.86 |
| Finance | 474.97 | 444.94 | 444.94 | -30.03 |

**Nasdaq**

| | High | Low | Last | Chg. |
|---|---|---|---|---|
| Composite | 1633.92 | 1532.54 | 1535.49 | -115.43 |
| Industrials | 1307.53 | 1221.81 | 1224.76 | -98.92 |
| Banks | 1940.62 | 1870.42 | 1871.74 | -74.31 |
| Insurance | 1797.59 | 1746.71 | 1748.82 | -54.49 |
| Finance | 2285.39 | 2187.11 | 2189.95 | -104.72 |
| Transp. | 1104.29 | 1055.63 | 1059.32 | -55.20 |

**AMEX**

| High | Low | Last | Chg. |
|---|---|---|---|
| 701.18 | 660.36 | 660.50 | -40.68 |

**Dow Jones Bond**

| | Close | Chg. |
|---|---|---|
| 20 Bonds | 104.08 | -0.23 |
| 10 Utilities | 101.62 | -0.35 |
| 10 Industrials | 106.54 | -0.11 |

## Most Actives

**NYSE**

| | Vol. | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| Compaq s | 170693 | 67 | 60¼ | 60½ | -8¼ |
| Boeing s | 115035 | 47⅞ | 43 | 43⅜ | -4⅞ |
| PhilMor s | 88901 | 40⅛ | 37⅞ | 37⅞ | -2⅛ |
| CocaCl | 79359 | 56⅞ | 53⅝ | 53⅝ | -1⅝ |
| GenElec s | 76777 | 65⅝ | 61⅛ | 61⅛ | -4 |
| Merck | 76738 | 90⅝ | 85 | 85 | -8⅛ |
| IBM s | 68746 | 98⅛ | 89⅞ | 90 | -8 |
| AT&T | 68342 | 50⅝ | 45⅛ | 45⅛ | -5⅝ |
| TelBrasil | 67617 | 121⅝ | 95⅝ | 97¼ | -27⅞ |
| TelMex | 64714 | 44⅝ | 39⅝ | 39⅝ | -7 |
| BayNtwk | 59818 | 31⅝ | 27⅝ | 28 | -3⅝ |
| MicrnT | 55986 | 29⅝ | 26½ | 26⅝ | -3⅛ |
| Motorola | 54971 | 63⅛ | 57⅝ | 59 | -4⅝ |
| PepsiCo | 52774 | 37 | 34⅛ | 34⅛ | -3⅛ |
| Unisys | 49853 | 13⅛ | 11⅛ | 11⅛ | -2⅛ |

**Nasdaq**

| | Vol. | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| OxfordHlt | 490476 | 38⅝ | 25½ | 25⅞ | -42⅞ |
| Intel s | 261896 | 79⅝ | 73⅝ | 74¾ | -5¼ |
| ApldMat s | 203242 | 34⅝ | 30⅞ | 31 | -2⅛ |
| DellCpt s | 172365 | 92½ | 81¼ | 81⅞ | -12⅛ |
| Cisco | 135386 | 80 | 72⅝ | 77⅝ | -7⅝ |
| 3Com | 122377 | 45⅝ | 41 | 42⅝ | -2⅝ |
| Microsft s | 120842 | 136⅛ | 128⅝ | 128⅝ | -6⅝ |
| MCI | 101515 | 37⅝ | 35 | 35⅛ | -1⅝ |
| MicroWrs | 96125 | 19 | 9⅝ | 11⅞ | -8⅛ |
| SunMic s | 87361 | 38⅝ | 33⅝ | 34⅝ | -3⅝ |
| WorldCm | 76986 | 32⅝ | 30⅝ | 31 | -2⅛ |
| Oracle s | 71924 | 34 | 31 | 31 | -2⅝ |
| Ascend | 68235 | 32⅝ | 29 | 29⅝ | -3⅝ |
| Xilinx | 53894 | 36⅝ | 31½ | 31⅝ | -5⅛ |
| NoiseCT | 53530 | 1⅝ | 1⅝ | 1⅝ | +⅛ |

**AMEX**

| | Vol. | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| SPDR | 108087 | 93⅞ | 86⅞ | 87⅞ | -6⅝ |
| XCL Ltd | 14223 | ⅝ | ½ | ½ | -⅛ |
| Harken | 11109 | 6⅞ | 6⅛ | 6⅝ | -⅜ |
| Heex | 10226 | 1⅞ | 1⅛ | 1⅛ | -⅛ |
| BemaGold | 9963 | 3⅞ | 3⅛ | 3⅝ | -⅛ |
| FAusPr | 9511 | 8⅛ | 7⅝ | 7⅝ | -⅝ |
| EchoBay | 9243 | 4⅝ | 4⅛ | 4⅝ | -⅛ |
| TubMex | 8456 | 24⅞ | 18⅝ | 18⅝ | -5⅝ |
| Nabors | 8226 | 44½ | 37⅝ | 37⅞ | -6⅝ |
| RoyalO g | 7556 | 2⅜ | 2¼ | 2⅜ | -⅛ |

## Trading Activity

**NYSE**

| | Close | Prev. |
|---|---|---|
| Advanced | 181 | 1339 |
| Declined | 2988 | 1382 |
| Unchanged | 260 | 565 |
| Total issues | 3429 | 3406 |
| New Highs | 23 | 108 |
| New Lows | 175 | 44 |

**Nasdaq**

| | Close | Prev. |
|---|---|---|
| Advanced | 538 | 1932 |
| Declined | 3766 | 2331 |
| Unchanged | 1423 | 1471 |
| Total issues | 5727 | 5734 |
| New Highs | 29 | 144 |
| New Lows | 141 | 57 |

**AMEX**

| | Close | Prev. |
|---|---|---|
| Advanced | 66 | 349 |
| Declined | 623 | 247 |
| Unchanged | 77 | 149 |
| Total issues | 766 | 745 |
| New Highs | 11 | 19 |
| New Lows | 39 | 12 |

**Market Sales**

| | Today 4:00 | Prev. cons. |
|---|---|---|
| NYSE | 695.61 | 798.56 |
| Amex | 36.73 | 43.80 |
| Nasdaq | 860.53 | 936.24 |

*In millions.*

## Dividends

| Company | Per | Amt | Rec | Pay |
|---|---|---|---|---|
| **IRREGULAR** | | | | |
| Ellsworth Convert | - | 1.55 | 11-3 | 11-29 |
| LL&E Royalty | - | .0499 | 11-5 | 11-14 |
| Salomon Inc | c | .0922 | 11-3 | 11-13 |
| c- In accordance with the Travelers-Salomon merger. | | | | |
| Summit REIT g | - | .12 | 0-0 | 0-0 |
| Terra Nitrogen | - | .29 | 11-3 | 11-28 |
| **STOCK SPLIT** | | | | |
| Benthos Inc 3 for 2 split. | | | | |
| Hybridon Inc 1 for 5 split. | | | | |
| Imperial Credit 3 for 2 split. | | | | |
| Mackenzie Fin 2 for 1 split. | | | | |
| Omnicom Group 2 for 1 split. | | | | |
| **STOCK** | | | | |
| Ambanc Corp | - | 5% | 11-26 | 12-8 |
| Autocam Corp | - | 5% | 11-3 | 11-17 |
| Fst Albany | - | 5% | 11-12 | 11-26 |
| **INCREASED** | | | | |
| Avery Dennison | Q | .21 | 12-3 | 12-17 |
| Carauster Inds | Q | .16 | 12-18 | 1-8 |
| Denninghouse Inc | A | .10 | 11-25 | 11-28 |
| Ferro Corp | Q | .18 | 11-14 | 12-10 |
| Fst Brands | Q | .10 | 12-31 | 1-20 |
| Potters Fin | Q | .10 | 11-5 | 11-24 |
| Premier Bncshrs | - | .10 | 11-6 | 11-20 |

| Company | Per | Amt | Rec | Pay |
|---|---|---|---|---|
| RFS Hotel | Q | .375 | 11-7 | 11-17 |
| Tasty Baking | Q | .15 | 11-7 | 12-1 |
| **YEAREND** | | | | |
| Am Annuity | A | .10 | 12-5 | 12-19 |
| **EXTRA** | | | | |
| Melcor Develop g | - | .10 | 12-16 | 12-30 |
| **SPECIAL** | | | | |
| Property Cap Tr | | 2.50 | 11-24 | — |
| **INITIAL** | | | | |
| Hilite Indust | - | .025 | 11-3 | 11-17 |
| **REGULAR** | | | | |
| AL Pwr adjpfA 93 | - | .329 | 12-16 | 1-1 |
| Alexander Baldwin | Q | .22 | 11-6 | 12-4 |
| BT Find | Q | .34 | 11-7 | 12-1 |
| Bando McGlockin | Q | .18 | 11-5 | 11-15 |
| BkBoston Corp | Q | .51 | 11-3 | 11-28 |
| CMS Energy G | Q | .31 | 11-3 | 11-21 |
| Cornerstone | Q | .54 | 11-4 | 11-14 |
| Crestar Fin | Q | .29 | 11-3 | 11-21 |
| Simon DeBart | Q | .505 | 11-7 | 11-21 |
| Western OH Fin | Q | .25 | 11-14 | 11-28 |

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semiannually.

## Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99.cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

هكذا من الاصل

# Swiss Market Secrecy Publicly

## Private Banks Start Running Their Own Ad Campaigns

*Reuters*

GENEVA — In a break with their sedate past, Geneva's private banks have for the first time begun advertising that which made them famous — secrecy and confidentiality.

The most discreet of these banks, some of which are 200 years old, have decided to scrap a tacit agreement that allowed them only to advertise collectively. For the first time, they have agreed to take out ads individually to raise demand for their services, bankers say.

Denis Mathieu, secretary-general of the Geneva Private Banks Association, said growing competition had prompted the decision.

"Now, everybody is free to advertise," he said. "We need to emphasize the importance of Geneva as a private banking center."

In a business famous for its conservative style, the new spate of ads hawking private banking services could be a sign that this staid city's bankers are getting a little less stuffy.

In this secretive sanctuary for the rich, financiers have traditionally relied on "old boy" networking to attract Europe's aristocracy and inherited wealth.

But bankers say growth in this customer base is slowing, while the creation of wealth in emerging economies is booming.

"Traditional European markets are not growing rapidly," said Ricardo Payro, a spokesman at Pictet & Cie. "New markets are in Asia, Latin America and East Europe. In these areas we're not known at all."

Recent Pictet ads, printed in the International Herald Tribune, Financial Times and The Wall Street Journal, emphasize relationships, stressing concepts like "trust" and "confidentiality."

**'What makes private bankers interesting is that you don't know much about them.'**

One ad shows a table set for two with the pitch: "A true private bank is one that makes you wonder if you're the only client."

Bankers denied that the new ad campaigns were an attempt to overcome negative publicity over allegations that Swiss banks had hoarded the wealth of victims of the Holocaust.

But a survey of major private banks in Geneva showed many of them busily planning new ads for the coming months.

A spokesman at Credit Suisse Private Banking, Roland Oettinger, said the bank had a "multimillion-dollar" advertising budget for 1998.

The bank's light-hearted ads, taken out in lifestyle magazines and international newspapers, feature cartoon drawings of friendly bankers who appear to be ready to *do anything for clients* — *provided* they have a minimum of 500,000 Swiss francs ($340,182) in assets.

In line with their culture of secrecy — the backbone of Switzerland's asset-management industry, which *has an estimated $2 trillion in* client wealth — bankers were tight-lipped about their marketing techniques and advertising budgets.

Geneva's private banking also expect their ads to preserve a hint of the *mystery that* has made the institution famous.

"What makes private bankers interesting is that you don't know much about them," Mr. Mathieu said. "There's a certain mysticism. We should reveal certain things but also keep certain things discreet."

# Ameritech to Take Control Of Danish Telecom Concern

*Compiled by Our Staff From Dispatches*

COPENHAGEN — Ameritech Corp. said Monday that it would buy a controlling stake in Tele Danmark A/S for 21.15 billion kroner ($3.12 billion), making Ameritech the largest *U.S.* investor in *Europe's* telecommunications industry.

Chicago-based Ameritech said it would pay the Danish government, which owns more than half of Tele Danmark, 470 kroner a share for 34 percent of the company. That stake is to increase to 42 percent after Tele Danmark completes its plan to buy 2.2 million shares from the government worth 10 billion kroner.

*After the transactions, Ameritech* would be able to name six of the 12 board members for Tele Danmark, including the chairman, who would hold a tie-breaking vote should the board be split on any issue.

"Denmark *is the gateway to* Northern Europe," said Chairman Richard Notebaert of Ameritech, "and Tele Danmark has the management expertise we need to create a platform for expansion in the European market."

Tele Danmark and Ameritech are already partners in the Belgian telecommunications group Belgacom, holding stakes of 16.5 percent and 17.5 percent respectively, and the new pact was *seen as a logical step.*

"Ameritech has a reputation as a very well and effectively run company, and Tele Danmark will benefit from that," said Michael Armitage, a telecommunications analyst at Morgan Stanley & Co.

Class B shares in Tele Danmark rose 21 kroner, or 6 percent, to 372 kroner after the announcement. That was 21 percent below Ameritech's purchase price, a reflection that investors did not want to pay a high price for a company already controlled by another entity.

The proposed investment is subject to review by the Danish Parliament, the European Union and Tele Danmark shareholders. But the sale is expected to be completed by early next year.

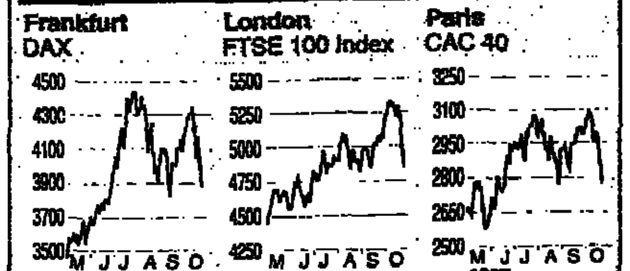
*Ameritech serves the five Mid*western states of Illinois, Ohio, Indiana, Michigan and Wisconsin.

The Danish government first sold 48.3 percent of Tele Danmark in 1994. Denmark's telecommunica*tions market has been liberalized* since July 1996 and final legislation outlining guidelines for "fair and effective competition" came into effect in July this year, six months ahead of a deadline set for European *Union members.*

Ameritech is to buy 4.5 million Class A shares at a price of 4,700 kroner per share. That's equal to about 470 kroner per Class B share, as A shares are converted into B *shares next year. The Danish gov*ernment will pay a 3-kroner tax on each share sold to Ameritech.

*(Reuters, Bloomberg, AP)*

## Investor's Europe




| Exchange | Index | Monday Close | Prev. Close | % Change |
|---|---|---|---|---|
| Amsterdam | AEX | 861.16 | 891.35 | -3.39 |
| Brussels | BEL-20 | 2,240.11 | 2,305.13 | -2.82 |
| Frankfurt | DAX | 3,879.12 | 4,050.87 | -4.24 |
| Copenhagen | Stock Market | 638.20 | 648.81 | -1.64 |
| Helsinki | HEX General | 3,581.72 | 3,796.91 | -5.67 |
| Oslo | OBX | 721.96 | 736.27 | -1.94 |
| London | FTSE 100 | 4,840.70 | 4,970.20 | -2.61 |
| Madrid | Stock Exchange | 557.88 | 581.09 | -3.99 |
| Milan | MIBTEL | 15264 | 15698 | -2.76 |
| Paris | CAC 40 | 2,769.64 | 2,849.03 | -2.79 |
| Stockholm | SX 16 | 3,144.15 | 3,312.73 | -5.09 |
| Vienna | ATX | 1,349.89 | 1,386.57 | -2.65 |
| Zurich | SPI | 3,538.70 | 3,638.87 | -2.75 |

Source: Telekurs — International Herald Tribune

## Very briefly:

- **Micro Compact Car AG,** the joint venture of Germany's **Daimler-Benz AG** and the Swiss watchmaker **SMH AG,** said its Smart car project would break even by 2004. The two-seat Smart, which will compete with **Rover Group PLC's** Mini and **Ford Motor Co.'s** *Ka in Europe's fastest-growing* car segment, the sub-mini class, will go on sale in March.
- **Daimler-Benz AG's** Mercedes unit plans a news conference Wednesday to discuss the rollover of its A-Class subcompact car during a test drive last week by journalists in Sweden. Last week Daimler said the accident, which occurred just days after the A-Class reached showrooms, was caused when the car was deliberately driven beyond its technical limits.
- **Reed Elsevier PLC** wants to sell its British consumer magazines unit to focus on professional publishing as it prepares to merge with **Wolters Kluwer NV.** The unit, **IPC Magazines,** has more than 70 titles including TV Times, Woman's Own, Country Life, New Musical Express and Loaded. It earned £63 million ($102.9 million) on sales of £314 million last year.
- **Electrolux AB** deflected speculation that it was preparing to buy Sunbeam Corp. of the United States. The Swedish white-goods maker said such a purchase "doesn't seem totally *logical" given the fact that it is concentrating on cost cutting.*
- **The European Commission** has cut subsidies on beef exports by as much as 15 percent amid heavy demand from exporters. Under trade agreements, the European Union must limit subsidized beef exports to no more than 1,010,000 metric tons.
- **Groupe des Assurances Nationales SA** posted a first-half profit of 114 million French francs ($19.1 million), reversing a loss of 965 million francs in the first half last year as revenue from domestic casualty insurance and banking soared.
- **Leemhuis & Van Loon,** the Dutch brokerage that was raided by police as part of an inquiry into suspected insider trading, bribery, fraud, forgery and tax violations, will be placed under caretaker management, the Amsterdam public prosecutor said.

*Bloomberg, Reuters*

# Tobacco Executives Charged

*Bloomberg News*

NAPLES — Italian prosecutors charged 11 Philip Morris Cos. executives *Monday with* evading payment of corporate taxes on income of as much as 10 trillion lire ($5.76 billion) over the past decade.

The Naples prosecutor Raffaele Marino brought charges of "fiscal fraud" against Walter Thoma, chairman of Philip Morris Inc., the U.S. tobacco company's Swiss-based unit, and 10 other executives.

According to the indictment, Philip Morris had "income, gains and other positive revenue," which was not declared, totaling 9.65 trillion lire between 1987 and March 1996. The indictment also said *Philip Morris deducted fraudulently* 370 billion lire in expenses.

Apart from Mr. Thoma, the indictment named Paolo Ferrari, Giovanni Pozzali, Paolo Degola, Maurizio Zaccheo, Carlo Giarre, Aleardo *Guido Buzzi,* Heinrich Christen, Hugh Simon Brass, Hans Rudolf Keller and Rudolph Schweizer.

Naples prosecutors last year opened the investigation into whether Philip Morris had underpaid its taxes in Italy by pretending that income earned in the country came from elsewhere.

In January, Philip Morris reiterated to an Italian parliamentary committee hearing that it had paid all the taxes it owed in Italy and criticized its contract with the state cigarette monopoly.

The dispute revolves around the tax treatment of royalties paid to a *Philip Morris unit for cigarettes sold* by the government's tobacco monopoly.

# Rich Nations Pledge to Aid Poor

*Reuters*

GENEVA — Major powers and rich emerging economies pledged Monday to open their markets and provide "aid to trade" in a program to bring the world's poorest countries firmly into the global economy.

The promises were made during the opening session of a two-day conference called by the World Trade Organization and five other key international agencies on the problems of the 48 least-developed countries.

Trade officials said the United States, the European Union, Japan and Canada as well as smaller *traders such as* Norway, Thailand, Morocco, Hungary, Singapore, India and Egypt outlined their own plans for helping the least-developed countries.

The WTO's director-general, Renato Ruggiero, said at the meeting, attended by trade ministers from many of the 48 countries that are mainly in Asia, Africa and the Pacific region, that the poverty in which many people in the those countries was unacceptable.

But the global trading system the WTO administers could provide the support to convert the poor countries, which include Tanzania, Bangladesh, Haiti and Papua-New Guinea, into some of "the most dynamic trading nations of *the 21st century,*" he said.

The pledges Monday marked "a good step forward" toward his own aim — first presented at a meeting of the Group of Seven industrial powers in Lyons last year — to have all tariffs and other barriers to products from the least-developed countries lifted in the near future.

But trade diplomats and analysts from developing countries said many of the offers were only a repackaging of programs already announced, while others were vague with little concrete detail.

"It will be interesting to see how far these offers will be bound and not subjected to conditions," said Rubens Ricupero, secretary-general of the United Nations Conference on Trade and Development.

# WORLD STOCK MARKETS

**Monday, Oct. 27**

Prices in local currencies.

*Telekurs*

### Amsterdam

AEX index: 861.16 Previous: 891.35

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| ABN-AMRO | 38.80 | 37.70 | 38.50 | 39.50 |
| Aegon | 156 | 152 | 153.50 | 158.50 |
| Ahold | 51.90 | 50 | 51.70 | 53.10 |
| Akzo Nobel | 338.50 | 324.50 | 328.50 | 346.50 |
| Baan Co. | 138.80 | 132 | 137.30 | 142.50 |
| Bols Wess cva | 32.90 | 31.40 | 32.10 | 33.40 |
| CSM cva | 90 | 89.20 | 91 | 91.10 |
| Dordtsche Pet | 106 | 102.60 | 104.80 | 107.60 |
| DSM | 182.50 | 176.30 | 176.30 | 184 |
| Elsevier | 30.20 | 29.70 | 30 | 30.60 |
| Fortis Amev | 78.50 | 76.20 | 78 | 79.30 |
| Getronics | 70.30 | 68.30 | 69 | 71 |
| G-Broc cva | 54.40 | 51.20 | 52.20 | 54.70 |
| Hagemeyer | 88 | 84.50 | 86 | 89.80 |
| Heineken | 322 | 317.10 | 321.50 | 327.50 |
| Hoogovens cva | 110 | 103.60 | 105 | 113.50 |
| Hunt Douglas | 87 | 85 | 85.20 | 88.50 |
| ING Group | 84.50 | 81.70 | 83.50 | 86.20 |
| KLM | 68.80 | 64.90 | 67.40 | 69.60 |
| KNP BT | 47.30 | 44.90 | 46.50 | 47.90 |
| KPN | 72.70 | 70.80 | 72 | 73.60 |
| Nedlloyd Gp | 64.50 | 62.50 | 63.40 | 65.80 |
| Nutricia | 55.30 | 53.90 | 55 | 55.70 |
| Oce Grinten | 230 | 223.30 | 223.80 | 231 |
| Philips Elec | 159.70 | 150.50 | 152.50 | 164.40 |
| Polygram | 110.10 | 105 | 108 | 114 |
| Randstad Hdg | 80 | 78 | 78.50 | 79.90 |
| Robeco | 186.90 | 185 | 185 | 191 |
| Rodamco | 57.20 | 55.70 | 57 | 58.40 |
| Rolinco | 182.30 | 181.50 | 181.50 | 187.50 |
| Rorento | 118.30 | 118 | 118.10 | 118.50 |
| Royal Dutch | 104.20 | 101.50 | 103.80 | 106.50 |
| Unilever | 105.60 | 102.90 | 103.10 | 107.40 |
| Vendex Intl | 106.90 | 104.50 | 105.90 | 106.90 |
| VNU | 43 | 41.40 | 42.40 | 43 |
| Wolters Kl cva | 238 | 233.20 | 237.50 | 240 |

### Bangkok

SET Index: 491.81 Previous: 494.88

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Adv Info Svc | 220 | 216 | 216 | 222 |
| Bangkok Bk F | 145 | 139 | 141 | 138 |
| Krung Thai Bk | 18.75 | 18 | 18 | 18.50 |
| PTT Explor | 410 | 400 | 410 | 396 |
| Siam Cement F | 458 | 440 | 458 | 440 |
| Siam Com Bk F | 94 | 90 | 90 | 93.50 |
| Telecomasia | 25 | 24.50 | 24.75 | 24.75 |
| Thai Airways | 53 | 50.50 | 53 | 50.50 |
| Thai Farm Bk F | 106 | 102 | 103 | 102 |
| Utd Comm | 94 | 91 | 92 | 94 |

### Bombay

Sensex 30 index: 3934.33 Previous: 3957.46

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Bajaj Auto | 602 | 590.50 | 598.75 | 609.75 |
| Hindust Lever | 1390 | 1300 | 1357 | 1374.50 |
| Hindust Petm | 495 | 480 | 481 | 495 |
| Ind Dev Bk | 102 | 98.50 | 99 | 102.25 |
| ITC | 592 | 579.25 | 586.25 | 587 |
| Mahanagar Tel | 260.75 | 254.50 | 257.75 | 261 |
| Reliance Ind | 204.50 | 198 | 200.75 | 395 |
| State Bk India | 278 | 273.50 | 275.25 | 271.50 |
| Steel Authority | 15.50 | 15 | 15 | 15 |
| Tata Eng Loco | 336 | 321.25 | 326.75 | 334.75 |

### Brussels

BEL-20 index: 2240.11 Previous: 2305.13

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Almanij | 1565 | 1540 | 1550 | 1570 |
| Barco Ind | 6980 | 6760 | 6810 | 7020 |
| BBL | 8800 | 8500 | 8550 | 8860 |
| CBR | 3050 | 2900 | 2985 | 3060 |
| Colruyt | 18050 | 17150 | 17725 | 18150 |
| Delhaize Lion | 1615 | 1530 | 1555 | 1650 |
| Electrabel | 7630 | 7450 | 7500 | 7670 |
| Electrafina | 3310 | 3255 | 3310 | 3450 |
| Fortis AG | 6880 | 6700 | 6780 | 6920 |
| Gevaert | 1505 | 1474 | 1500 | 1530 |
| GBL | 5310 | 5100 | 5240 | 5390 |
| Gen Banque | 13600 | 13400 | 13475 | 13950 |
| Kredietbank | 14050 | 13800 | 13825 | 14150 |
| Petrofina | 13475 | 13150 | 13425 | 13750 |
| Powerfin | 5030 | 5010 | 5030 | 5080 |
| Royale Belge | 9300 | 8990 | 9000 | 9240 |
| Soc Gen Belg | 3160 | 3070 | 3070 | 3180 |
| Solvay | 2075 | 2030 | 2035 | 2095 |
| Tractebel | 3020 | 2980 | 3020 | 3010 |
| UCB | 118000 | 115000 | 115000 | 118150 |

### Copenhagen

Stock Index: 638.20 Previous: 648.81

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| BG Bank | 450 | 440 | 443.73 | 452 |
| Carlsberg B | 371 | 353 | 365 | 372 |
| Codan Fors | 1010 | 990 | 1010 | 1007.50 |
| Danisco | 377 | 360 | 365 | 378 |
| Den Danske Bk | 758 | 730 | 758 | 757 |
| D/S Svendbrg B | 452000 | 438000 | 443000 | 452000 |
| D/S 1912 B | 318000 | 305000 | 315000 | 318000 |
| FLS Ind B | 173 | 161 | 169 | 179 |
| Kob Lufthavne | 810 | 785 | 800 | 810 |
| Nvo Nordisk B | 756 | 716 | 728 | 755 |
| Sophus Ber B | 1040 | 990 | 1010 | 1050 |
| Tele Danmk B | 390 | 349.30 | 386 | 351 |
| Tryg Baltica | 440 | 425 | 437.11 | 442 |
| Unidanmark A | 465 | 448 | 450 | 465 |

### Frankfurt

DAX: 3879.12 Previous: 4050.87

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| AMB B | 177 | 173 | 173 | 181 |
| Adidas | 250 | 247.50 | 249 | 250.50 |
| Allianz Hldg | 412 | 404 | 405.50 | 427 |
| Altana | 124.50 | 122.85 | 122.85 | 125 |
| Bk Berlin | 46.10 | 45.40 | 45.60 | 46.80 |
| BASF | 60.50 | 59.60 | 59.90 | 61.80 |
| Bayer Hypo Bk | 76 | 75.50 | 75.50 | 77.60 |
| Bay Vereinsbank | 104 | 102.80 | 103 | 107 |
| Bayer | 63.85 | 62.95 | 63.15 | 65.45 |
| Beiersdorf | 79.50 | 75.20 | 75.70 | 80.20 |
| Bewag | 40 | 39.80 | 39.90 | 40.85 |
| BMW | 1332 | 1316 | 1320 | 1390 |
| CKAG Colonia | 167.50 | 161.50 | 161.50 | 171 |
| Commerzbank | 61.80 | 60.70 | 61.10 | 63.40 |
| Daimler Benz | 126.70 | 124.50 | 124.80 | 130.40 |
| Degussa | 82.40 | 81.50 | 81.50 | 87.40 |
| Deutsche Bank | 116.20 | 114.30 | 114.45 | 119.15 |
| Deut Telekom | 31.25 | 31.05 | 31.10 | 32 |
| Dresdner Bank | 76.60 | 75.20 | 76 | 79.30 |
| Fresenius | 289 | 279 | 279 | 292.50 |
| Fresenius Med | 134 | 132.50 | 132.50 | 134.50 |
| Fried. Krupp | 355.50 | 347 | 348.50 | 362.50 |
| Gehe | 95 | 93.95 | 95 | 95 |
| Heidelbg Zmt | 158 | 148 | 148.50 | 153.40 |
| Henkel pfd | 99.50 | 96.90 | 98 | 102.50 |
| HEW | N.T. | N.T. | N.T. | 473.50 |
| Hochtief | 79.90 | 78.70 | 79.90 | 81.50 |
| Hoechst | 74 | 72.45 | 72.45 | 75.38 |
| Karstadt | 578 | 566 | 574 | 593 |
| Lahmeyer | 91 | 90 | 90 | 92.40 |
| Linde | 1110 | 1093 | 1100 | 1127 |
| Lufthansa R | 32 | 30.30 | 30.30 | 32.60 |
| MAN | 531 | 526 | 528 | 540.50 |
| Mannesmann | 797 | 767 | 769 | 814.50 |
| Metallgesellschaft | 37.90 | 37.55 | 37.67 | 38.45 |
| Metro | 75.80 | 74.60 | 74.70 | 78 |
| Munch Rueck R | 547 | 536 | 543 | 580 |
| Preussag | 489 | 483 | 484 | 495.50 |
| RWE | 80.50 | 78.40 | 78.40 | 82.50 |
| SAP pfd | 495 | 487 | 487 | 506.50 |
| Schering | 169 | 165.50 | 167.80 | 174.10 |
| SGL Carbon | 252 | 243 | 248 | 258 |
| Siemens | 112.30 | 110.55 | 110.70 | 114.60 |
| Springer (Axel) | 1500 | 1490 | 1490 | 1520 |
| Suedzucker | 875 | 870 | 870 | 880 |
| Thyssen | 409 | 402 | 402 | 417 |
| Veba | 94.40 | 93.10 | 94.10 | 97.40 |
| VEW | 565 | 560 | 560 | 560 |
| Viag | 842 | 826 | 826 | 856 |
| Volkswagen | 1125.50 | 1086 | 1086 | 1158 |

### Helsinki

HEX General Index: 3581.72 Previous: 3796.91

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Enso A | 55 | 52.50 | 53.50 | 55.50 |
| Huhtamaki I | 217 | 213 | 217 | 223 |
| Kemira | 54.50 | 52.50 | 54 | 57.50 |
| Kesko | 76 | 73.50 | 74.90 | 77.50 |
| Merita A | 26.30 | 24.80 | 25.10 | 26.90 |
| Metra B | 145 | 143 | 145 | 145 |
| Metso-Serla B | 49 | 48 | 48.50 | 49.80 |
| Neste | 136 | 130.50 | 134 | 138 |
| Nokia A | 484.50 | 461 | 461 | 511 |
| Orion-Yhtymae | 202 | 196 | 196 | 204.90 |
| Outokumpu A | 90 | 82.10 | 82.10 | 88.80 |
| UPMKymmene | 142 | 138 | 138.50 | 144 |
| Valmet | 91.90 | 85.50 | 90.80 | 93.90 |

### Hong Kong

Hang Seng: 10498.30 Previous: 11144.34

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Amoy Props | 6.50 | 6.20 | 6.30 | 6.40 |
| Bk East Asia | 20.60 | 19.45 | 19.75 | 20.90 |
| Cathay Pacific | 8.50 | 7.80 | 8 | 8.30 |
| Cheung Kong | 55 | 50.50 | 52 | 55 |
| CK Infrastruct | 16.50 | 15 | 15.25 | 16.50 |
| China Light | 36.20 | 34.70 | 36.20 | 36 |
| Citic Pacific | 34.50 | 31.80 | 32.20 | 34.90 |
| Dao Heng Bk | 17.95 | 16.50 | 16.80 | 17.90 |
| First Pacific | 4.90 | 4.50 | 4.55 | 4.90 |
| Hang Lung Dev | 11 | 10.60 | 10.90 | 11.05 |
| Hang Seng Bk | 74.50 | 68.50 | 70 | 74.50 |
| Henderson Inv | 6.30 | 5.70 | 6.30 | 6.30 |
| Henderson Ld | 44 | 41.50 | 42 | 44.70 |
| HK China Gas | 13.40 | 12.80 | 12.85 | 13.40 |
| HK Electric | 26 | 24.70 | 25.40 | 26.30 |
| HK Telecomm | 14.45 | 13.75 | 14.85 | 14.60 |
| Hopewell Hdgs | 2.45 | 2.25 | 2.25 | 2.45 |
| HSBC Hdgs | 199 | 183 | 185 | 199 |
| Hutchison Wh | 52 | 49 | 49.90 | 52.75 |
| Hysan Dev | 17.85 | 16.65 | 17.05 | 17.80 |
| Johnson El Hdg | 18.90 | 18.30 | 18.55 | 18.90 |
| Kerry Props | 14.70 | 14.55 | 14.70 | 14.70 |
| New World Dev | 30.50 | 27 | 28.50 | 31.40 |
| Oriental Press | 1.92 | 1.83 | 1.89 | 1.94 |
| Pearl Oriental | 0.60 | 0.54 | 0.56 | 0.58 |
| SHK Props | 65 | 59.50 | 59.75 | 65 |
| Shun Tak Hdgs | 4 | 3.45 | 3.45 | 4.25 |
| Sino Land Co. | 5.70 | 5.30 | 5.40 | 5.80 |
| Sth China Post | 6 | 5.75 | 6 | 6.25 |
| Swire Pac A | 44.50 | 41.20 | 42.70 | 45 |
| Wharf Hdgs | 14.70 | 15.60 | 15.85 | 16.80 |
| Wheelock | 10.70 | 9.50 | 9.90 | 10.50 |

### Jakarta

Composite Index: 498.72 Previous: 498.48

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Astra Intl | 2400 | 2300 | 2375 | 2300 |
| Bk Intl Indon | 775 | 750 | 775 | 790 |
| Bk Negara | 800 | 750 | 750 | 775 |
| Gudang Garm | 8780 | 8575 | 8625 | 8725 |
| Indocement | 2025 | 1975 | 2000 | 2000 |
| Indofood | 3900 | 3775 | 3900 | 3900 |
| Indosat | 8500 | 8475 | 8475 | 8700 |
| Sampoerna HM | 5800 | 5575 | 5600 | 5800 |
| Semen Gresik | 3475 | 3375 | 3400 | 3400 |
| Telekomunikasi | 3450 | 3375 | 3425 | 3375 |

### Johannesburg

All Market: 6762.22 Previous: 7168.81

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| ABSA Group | 30.75 | 27 | 31.25 | 31.25 |
| AngloAm Coal | 275.80 | 275.80 | 280 | 280 |
| AngloAm Corp | 218 | 209 | 233 | 233 |
| AngloAm Gold | 240 | 226 | 245 | 245 |
| AngloAm Ind | 150 | 139.60 | 157 | 157 |
| AngloAM Plat | 82.60 | 73 | 85 | 85 |
| AVMIN | 10 | 9.25 | 10.25 | 10.35 |
| Barlow | 55 | 50 | 53.40 | 53.40 |
| C.G. Smith | 23.25 | 21.50 | 24.25 | 24.25 |
| De Beers | 132.20 | 126.80 | 132.80 | 133.80 |
| Driefontein | 30.50 | 29 | 30.50 | 30.50 |
| Fst Natl Bk | 40 | 37.75 | 41.25 | 41.25 |
| Gencor | 11.50 | 9.50 | 11.95 | 11.95 |
| GFSA | 86 | 79.60 | 94 | 94 |
| Imperial Hdgs | 62.80 | 61 | 63 | 63 |
| Ingwe Coal | 21.10 | 20.15 | 21.40 | 21.40 |
| Iscor | 2.85 | 2.61 | 2.85 | 2.85 |
| Johnnies Indl | 57 | 53.40 | 60 | 60 |
| Liberty Hdgs | 340 | 319.80 | 350 | 350 |
| Liberty Life | 130 | 125.60 | 133.60 | 133.60 |
| LibLife Strat | 17 | 15.50 | 16.65 | 16.65 |
| Minorco | 99 | 85 | | 99 |
| Nampak | 16.55 | 15.20 | 17.30 | 17.30 |
| Nedcor | 105 | 97.80 | 109.60 | 109.60 |
| Rembrandt Gp | 43 | 39.80 | 43.80 | 43.80 |
| Richemont | 55.60 | 52.50 | 59.50 | 59.50 |
| SA Breweries | 137.20 | 129 | 138.20 | 138.20 |
| Samancor | 33.90 | 33.90 | 33.90 | 33.90 |
| Sasol | 62 | 57.90 | 63 | 63 |
| SBIC | 222 | 202 | 230 | 230 |
| Tiger Oats | 73 | 69.80 | 74.50 | 74.50 |

### Kuala Lumpur

Composite: 693.39 Previous: 692.37

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| AMMB Hdgs | 6.30 | 6 | 6.15 | 6 |
| Genting | 9.20 | 9 | 9.05 | 9.15 |
| Mal Banking | 13.80 | 13.20 | 13.40 | 13.40 |
| Mal Intl Ship F | 6.05 | 5.55 | 5.90 | 5.55 |
| Petronas Gas | 9.25 | 8.70 | 9.25 | 9 |
| Proton | 8.75 | 8.60 | 8.60 | 8.40 |
| Public Bk | 2.20 | 2.12 | 2.12 | 2.14 |
| Renong | 3.20 | 3.14 | 3.20 | 3.20 |
| Resorts World | 6.20 | 6.05 | 6.10 | 6.10 |
| Rothmans PM | 28.25 | 26.50 | 27.50 | 26.75 |
| Sime Darby | 5.05 | 4.86 | 4.96 | 4.92 |
| Telekom Mal | 8.55 | 8.35 | 8.40 | 8.50 |
| Tenaga | 7.50 | 7.30 | 7.30 | 7.30 |
| Utd Engineers | 8.70 | 8.35 | 8.45 | 8.45 |
| YTL | 4.02 | 3.94 | 4.02 | 4.02 |

### London

FT-SE 100: 4840.70 Previous: 4970.20

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Abbey Natl | 9.70 | 9.20 | 9.46 | 9.55 |
| Allied Domecq | 5.09 | 5 | 5 | 5.16 |
| Anglian Water | 8.15 | 7.93 | 7.93 | 8.07 |
| Argos | 6.35 | 6.26 | 6.32 | 6.35 |
| Asda Group | 1.56 | 1.49 | 1.50 | 1.55 |
| Assoc Br Foods | 5.08 | 4.80 | 4.84 | 5 |
| BAA | 5.57 | 5.40 | 5.46 | 5.58 |
| Barclays | 15.60 | 14.85 | 15.45 | 15.35 |
| Bass | 8.23 | 7.75 | 7.75 | 8.32 |
| BAT Ind | 5.54 | 5.38 | 5.40 | 5.49 |
| Bank Scotland | 5.26 | 5.01 | 5.04 | 5.30 |
| Blue Circle | 3.75 | 3.25 | 3.51 | 3.69 |
| BOC Group | 10.55 | 10.32 | 10.41 | 10.60 |
| Boots | 8.60 | 8.35 | 8.45 | 8.59 |
| BPB Ind | 3.34 | 3.31 | 3.31 | 3.34 |
| Brit Aerosp | 16.56 | 16.06 | 16.20 | 16.67 |
| Brit Airways | 6.35 | 6.12 | 6.15 | 6.32 |
| BG | 2.65 | 2.57 | 2.61 | 2.57 |
| Brit Land | 6.95 | 6.55 | 6.67 | 6.74 |
| Brit Petm | 8.83 | 8.40 | 8.70 | 8.82 |
| BSkyB | 4.31 | 4.15 | 4.15 | 4.33 |
| Brit Steel | 1.70 | 1.59 | 1.61 | 1.70 |
| Brit Telecom | 4.78 | 4.50 | 4.65 | 4.73 |
| BTR | 2.30 | 2.10 | 2.16 | 2.27 |
| Burmah Castrol | 10.38 | 10 | 10.04 | 10.53 |
| Burton Gp | 1.31 | 1.30 | 1.30 | 1.32 |
| Cable Wireless | 4.90 | 4.68 | 4.77 | 4.84 |
| Cadbury Schw | 6.19 | 6.01 | 6.17 | 6.20 |
| Carlton Comm | 5.18 | 4.86 | 4.95 | 5.19 |
| Comml Union | 8.59 | 8.11 | 8.25 | 8.45 |
| Compass Gp | 6.82 | 6.78 | 6.79 | 6.88 |
| Courtaulds | 3.05 | 2.93 | 2.96 | 3.05 |
| Dixons | 7.05 | 6.75 | 6.93 | 7.02 |
| Electrocomponents | 4.73 | 4.67 | 4.68 | 4.75 |
| EMI Group | 5.68 | 5.35 | 5.36 | 5.74 |
| Energy Group | 6.33 | 6.15 | 6.28 | 6.33 |
| Enterprise Oil | 6.95 | 6.51 | 6.61 | 6.85 |
| Fam Colonial | 1.73 | 1.69 | 1.70 | 1.76 |
| Genl Accident | 11 | 10.30 | 10.30 | 10.83 |
| GEC | 3.92 | 3.80 | 3.83 | 3.97 |
| GKN | 13.98 | 13.60 | 13.94 | 13.82 |
| Glaxo Wellcome | 12.57 | 12 | 12.50 | 12.85 |
| Granada Gp | 8.52 | 8.35 | 8.38 | 8.54 |
| Grand Met | 5.85 | 5.69 | 5.73 | 5.83 |
| GRE | 3.18 | 3 | 3.03 | 3.19 |
| Greenalls Gp | 3.43 | 3.33 | 3.40 | 3.43 |
| Guinness | 6.03 | 5.65 | 5.71 | 5.84 |
| GUS | 7.15 | 7 | 7.01 | 7.19 |
| Hays | 7.33 | | 7.23 | 7.27 |
| HSBC Hldgs | 15.16 | 14.54 | 14.61 | 15.60 |
| ICI | 9.48 | 9.22 | 9.23 | 9.44 |
| Impl Tobacco | 3.88 | 3.82 | 3.85 | 3.87 |
| Kingfisher | 8.40 | 8 | 8.19 | 8.41 |
| Ladbroke | 2.89 | 2.74 | 2.79 | 2.95 |
| Land Sec | 10.18 | 9.75 | 9.87 | 10.22 |
| Lasmo | 2.67 | 2.58 | 2.45 | 2.71 |
| Legal Genl Grp | 4.93 | 4.60 | 4.76 | 4.94 |
| Lloyds TSB Gp | 7.40 | 7 | 7.16 | 7.30 |
| LucasVarity | 2.12 | 2.05 | 2.06 | 2.14 |
| Marks Spencer | 6.38 | 6.03 | 6.19 | 6.37 |
| MEPC | 5.28 | 5.12 | 5.14 | 5.13 |
| Mercury Asset | 13.15 | 12.75 | 13.03 | 13.07 |
| National Grid | 2.90 | 2.80 | 2.86 | 2.87 |
| Natl Power | 5 | 4.58 | 4.80 | 4.98 |
| NatWest | 10 | 9.18 | 9.24 | 9.50 |
| Next | 7.18 | 6.98 | 6.98 | 7.40 |
| Norwich Union | 3.60 | 3.30 | 3.42 | 3.49 |
| Orange | 2.45 | 2.32 | 2.34 | 2.46 |
| P&O | 7.08 | 6.87 | 6.90 | 7.14 |
| Pearson | 8.29 | 7.60 | 7.67 | 7.88 |
| Pilkington | 1.65 | 1.55 | 1.56 | 1.65 |
| PowerGen | 6.85 | 6.60 | 6.61 | 6.82 |
| Premier Farnell | 4.91 | 4.82 | 4.84 | 4.94 |
| Prudential | 6.65 | 6.30 | 6.44 | 6.69 |
| Railtrack Gp | 9.57 | 9.10 | 9.20 | 9.53 |
| Rank Group | 3.42 | 3.28 | 3.32 | 3.41 |
| Reckitt Colm | 9.45 | 9.07 | 9.17 | 9.32 |
| Redland | 3.48 | 3.35 | 3.36 | 3.45 |
| Reed Intl | 5.80 | 5.58 | 5.60 | 5.78 |
| Rentokil Initial | 2.48 | 2.28 | 2.38 | 2.46 |
| Reuters Hdgs | 6.78 | 6.50 | 6.56 | 6.97 |
| Rexam | 3.23 | 3.07 | 3.08 | 3.23 |
| RTZ reg | 8.65 | 7.95 | 8.07 | 8.57 |
| RMC Group | 9.20 | 8.80 | 9.10 | 9.20 |
| Rolls Royce | 2.25 | 2.15 | 2.19 | 2.28 |
| Royal Bk Scot | 6.80 | 6.20 | 6.36 | 6.70 |
| Royal & Sun All | 6.05 | 5.55 | 5.67 | 5.94 |
| Safeway | 3.85 | 3.75 | 3.77 | 3.82 |
| Sainsbury | 4.83 | 4.74 | 4.76 | 4.78 |
| Schroders | 19 | 16.50 | 17.80 | 18.54 |
| Scot Newcastle | 6.92 | 6.67 | 6.70 | 6.90 |
| Scot Power | 4.40 | 4 | 4.32 | 4.48 |
| Securicor | 2.82 | 2.78 | 2.80 | 2.84 |
| Severn Trent | 9.15 | 8.90 | 9.05 | 9.06 |
| Shell Transp R | 4.27 | 4.10 | 4.19 | 4.34 |
| Siebe | 12.25 | 11.45 | 11.54 | 12.13 |
| Smith Nephew | 1.86 | 1.82 | 1.82 | 1.86 |
| SmithKline | 5.86 | 5.63 | 5.64 | 5.87 |
| Smiths Ind | 8.98 | 8.40 | 8.60 | 9.10 |
| Sthern Elec | 4.80 | 4.58 | 4.62 | 4.69 |
| Stagecoach | 7.28 | 7.21 | 7.24 | 7.31 |
| Stand Charter | 6.65 | 6.36 | 6.52 | 6.75 |
| Tate & Lyle | 4.65 | 4.60 | 4.61 | 4.67 |
| Tesco | 4.74 | 4.62 | 4.68 | 4.83 |
| Thames Water | 9.20 | 8.80 | 9 | 8.98 |
| 3i Group | 5 | 4.82 | 4.93 | 5.05 |
| TI Group | 6 | 5.80 | 5.89 | 5.98 |
| Tomkins | 3.16 | 3 | 3.12 | 3.10 |
| Unilever | 4.75 | 4.46 | 4.48 | 4.73 |
| Utd Assurance | 4.95 | 4.88 | 4.98 | 4.90 |
| Utd News | 7.88 | 7.52 | 7.52 | 7.87 |
| Utd Utilities | 7.41 | 7.32 | 7.28 | 7.29 |
| Vendome Lx uts | 4.04 | 3.93 | 3.97 | 4.06 |
| Vodafone | 3.45 | 3.38 | 3.39 | 3.49 |
| Whitbread | 7.58 | 7.35 | 7.43 | 7.59 |
| Williams Hdgs | 3.87 | 3.75 | 3.79 | 3.84 |
| Wolseley | 5.35 | 5.05 | 5.10 | 5.22 |
| WPP Group | 2.82 | 2.76 | 2.78 | 2.83 |
| Zeneca | 21 | 19 | 19.15 | 19.49 |

### Madrid

Bolsa index: 557.88 Previous: 581.09

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Acerinox | 24200 | 23000 | 23280 | 24460 |
| ACESA | 1785 | 1745 | 1735 | 1790 |
| Aguas Barcelon | 5910 | 5720 | 5750 | 5940 |
| Argentaria | 8100 | 7760 | 7890 | 8230 |
| BBV | 4150 | 3975 | 4020 | 4250 |
| Banesto | 1380 | 1305 | 1315 | 1380 |
| Bankinter | 7500 | 7020 | 7040 | 7500 |
| Bco Centro Hisp | 2740 | 2620 | 2655 | 2805 |
| Bco Popular | 8410 | 8160 | 8190 | 8500 |
| Bco Santander | 4250 | 4025 | 4050 | 4350 |
| CEPSA | 4375 | 4070 | 4130 | 4375 |
| Continente | 2950 | 2680 | 2705 | 2950 |
| Corp Mapfre | 7290 | 6870 | 6980 | 7300 |
| Endesa | 2690 | 2635 | 2640 | 2700 |
| FECSA | 1150 | 1095 | 1130 | 1155 |
| Gas Natural | 6758 | 6250 | 6370 | 6740 |
| Iberdrola | 1750 | 1700 | 1715 | 1760 |
| Pryca | 2350 | 2225 | 2235 | 2370 |
| Repsol | 6400 | 6190 | 6260 | 6460 |
| Sevillana Elec | 1300 | 1280 | 1290 | 1310 |
| Tabacalera | 10440 | 9950 | 10030 | 10540 |
| Telefonica | 4135 | 3995 | 4030 | 4205 |
| Union Fenosa | 1360 | 1330 | 1345 | 1370 |
| Valenc Cement | 2800 | 2750 | 2750 | 2805 |

### Manila

PSE Index: 1857.34 Previous: 1847.78

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Ayala B | 13.25 | 12.75 | 13 | 13.25 |
| Ayala Land | 14.50 | 14.25 | 14.50 | 14.25 |
| Bk Philip Isl | 98 | 95.50 | 98 | 97 |
| C&P Homes | 3.05 | 2.80 | 2.90 | 2.95 |
| Manila Elec A | 67.50 | 64.50 | 65.50 | 67.50 |
| Metro Bank | 282.50 | 272.50 | 277.50 | 270 |
| Petron | 4.35 | 4.05 | 4.25 | 4.05 |
| PCIBank | 140 | 138 | 138 | 141 |
| Phil Long Dist | 850 | 815 | 850 | 805 |
| San Miguel B | 43 | 40.50 | 42.50 | 41 |
| SM Prime Hdg | 6.30 | 6 | 6.10 | 6.30 |

### Mexico

Bolsa index: 4540.33 Previous: 4920.84

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Alfa A | 66.80 | 61.00 | 61.00 | 67.50 |
| Banacci B | 19.48 | 18.64 | 18.64 | 20.50 |
| Cemex CPO | 36.35 | 33.50 | 33.50 | 36.90 |
| Cifra C | 14.34 | 13.80 | 13.90 | 14.84 |
| Emp Modema | 38.70 | 38.00 | 38.00 | 38.80 |
| Gpo Carso A1 | 53.80 | 51.10 | 51.70 | 55.50 |
| Gpo F Bcomer | 3.01 | 2.94 | 3.00 | 3.20 |
| Gpo Fin Inbursa | 29.70 | 28.40 | 28.60 | 31.00 |
| Kimb Clark Mex | 34.60 | 31.58 | 33.60 | 36.40 |
| Televisa CPO | 133.20 | 132.30 | 132.50 | 141.00 |
| TelMex L | 18.18 | 17.00 | 17.00 | 18.40 |

### Milan

MIB Telematico: 15264.00 Previous: 15698.00

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Alleanza Assic | 15400 | 14950 | 14950 | 15790 |
| Bca Comm Ital | 5010 | 4865 | 4865 | 5110 |
| Bca Fideuram | 7000 | 6750 | 6750 | 7050 |
| Bca di Roma | 1690 | 1625 | 1650 | 1700 |
| Benetton | 26900 | 26450 | 26200 | 27150 |
| Credito Italiano | 4530 | 4355 | 4445 | 4590 |
| Edison | 9150 | 8905 | 9050 | 9150 |
| ENI | 10200 | 9950 | 9970 | 10300 |
| Fiat | 6040 | 5870 | 5890 | 6190 |
| Generali Assic | 38500 | 37900 | 38000 | 38900 |
| IMI | 16980 | 16250 | 16305 | 16700 |
| INA | 2535 | 2490 | 2495 | 2550 |
| Italgas | 5905 | 5790 | 5790 | 5960 |
| Mediaset | 8250 | 8015 | 8050 | 8255 |
| Mediobanca | 12950 | 12590 | 12610 | 13105 |
| Montedison | 1400 | 1368 | 1380 | 1418 |
| Olivetti | 1050 | 1015 | 1039 | 1052 |
| Parmalat | 2685 | 2580 | 2580 | 2660 |
| Pirelli | 4935 | 4760 | 4765 | 5085 |
| RAS | 15075 | 14910 | 14940 | 15284 |
| Rolo Banca | 24100 | 23600 | 23600 | 24100 |
| S Paolo Torino | 13345 | 12975 | 12990 | 13700 |
| Telecom Italia | 11205 | 10765 | 11000 | 11150 |
| TIM | 6725 | 6625 | 6640 | 6805 |

### Montreal

Industrials index: 3229.14 Previous: 3401.34

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Bca Mob Com | 45 | 44½ | 44.60 | 45.10 |
| Cdn Tire A | 30.20 | 28½ | 28¾ | 30¼ |
| Cdn Util A | 39.35 | 39.35 | 39.35 | 39.70 |
| CT Finl Svc | 47 | 46¼ | 46¼ | 47 |
| Gaz Metro | 18⅝ | 18.10 | 18.15 | 18⅝ |
| Gt-West Lifeco | 32.45 | 32 | 32.05 | 32¼ |
| Imasco | 46 | 44½ | 44.90 | 46.40 |
| Investors Grp | 42¼ | 41¼ | 41½ | 43¼ |
| Loblaw Cos | 20.10 | 20.10 | 20.10 | 20½ |
| Natl Bk Canada | 19.80 | 19 | 19¼ | 19.80 |
| Power Corp | 43¼ | 41.20 | 41.20 | 43.20 |
| Power Finl | 43 | 41¼ | 41¼ | 43 |
| Quebecor B | 29.85 | 28.70 | 28.70 | 29.85 |
| Rogers Comm B | 9.18 | 9.10 | 9.10 | 9.15 |
| Royal Bk Cda | 74.65 | 72¼ | 72¼ | 74½ |

### Oslo

OBX Index: 721.96 Previous: 736.27

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Aker A | 138 | 134 | 136 | 140 |
| Bergesen Dy A | 212 | 206 | 207.50 | 213 |
| Christiania Bk | 27.20 | 26.40 | 26.80 | 27.50 |
| Den norske Bk | 32.50 | 30.50 | 30.80 | 32 |
| Elkem | 113.50 | 110.50 | 112.50 | 115 |
| Hafslund A | 42 | 41.50 | 41.50 | 43.20 |
| Kvaerner Asa | 403 | 390 | 394 | 409 |
| Norsk Hydro | 415 | 407.50 | 411 | 416 |
| Norske Skog A | 247 | 245 | 247 | 252 |
| Nycomed A | 182 | 181 | 181.50 | 182 |
| Orkla Asa A | 635 | 628 | 635 | 643 |
| Petm GeoSvc | 518 | 505 | 506 | 525 |
| Saga Petm A | 147 | 144.50 | 146.50 | 148 |
| Schibsted | 133 | 131 | 132 | 134.50 |
| Transocean Off | N.T. | N.T. | N.T. | 405 |
| Storebrand Asa | 55 | 54 | 54.50 | 55 |

### Paris

CAC-40: 2769.44 Previous: 2849.03

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Accor | 1077 | 1015 | 1060 | 1050 |
| AGF | 314.80 | 308 | 310.50 | 316.50 |
| Air Liquide | 915 | 876 | 891 | 909 |
| Alcatel Alsth | 728 | 702 | 703 | 736 |
| Axa-UAP | 402 | 393.50 | 398.10 | 402.90 |
| Bancaire | 743 | 705 | 713 | 742 |
| BIC | 391 | 371 | 382 | 383.10 |
| BNP | 285.90 | 275.50 | 279.40 | 295.90 |
| Canal Plus | 1055 | 1030 | 1039 | 1065 |
| Carrefour | 3295 | 3161 | 3188 | 3324 |
| Casino | 332 | 318 | 328 | 337 |
| CCF | 343 | 334.10 | 340.40 | 347.50 |
| Cetelem | 638 | 623 | 630 | 640 |
| Christian Dior | 630 | 600 | 600 | 626 |
| CLF-Dexia Fran | 579 | 563 | 569 | 585 |
| Credit Agricole | 1311 | 1311 | 1311 | 1311 |
| Danone | 889 | 866 | 875 | 890 |
| Elf-Aquitaine | 739 | 714 | 727 | 749 |
| Eridania BS | 840 | 811 | 816 | 835 |
| Eurodisney | 7.95 | 7.80 | 7.95 | 7.90 |
| Eurotunnel | 6 | 5.65 | 5.70 | 5.65 |
| France Telecom | 206 | 202.60 | 204.50 | 207.80 |
| Gen. Eaux | 668 | 631 | 660 | 672 |
| Havas | 414.50 | 392.20 | 403.80 | 410 |
| Imetal | 677 | 650 | 659 | 662 |
| Lafarge | 392.90 | 377.10 | 380.10 | 388 |
| Legrand | 1116 | 1050 | 1100 | 1118 |
| L'Oreal | 2074 | 1953 | 1992 | 2069 |
| LVMH | 1043 | 1006 | 1008 | 1033 |
| Michelin B | 340 | 325.10 | 327 | 345 |
| Paribas A | 444.60 | 433 | 438.50 | 447.30 |
| Pernod Ricard | 272 | 261 | 261.50 | 270 |
| Peugeot Cit | 745 | 706 | 711 | 752 |
| Pinault-Print | 2580 | 2452 | 2520 | 2584 |
| Promodes | 1913 | 1859 | 1875 | 1934 |
| Renault | 168 | 163 | 165 | 170.50 |
| Rexel | 1600 | 1541 | 1544 | 1590 |
| Rh-Poulenc A | 240 | 232.20 | 234 | 245.90 |
| Sanofi | 517 | 495 | 510 | 500 |
| Schneider | 333 | 321.70 | 326 | 337 |
| SEB | 698 | 672 | 687 | 693 |
| SGS Thomson | 450 | 417.20 | 427 | 461 |
| Ste Generale | 847 | 826 | 836 | 865 |
| Sodexho | 2937 | 2730 | 2879 | 2858 |
| St Gobain | 858 | 830 | 849 | 845 |
| Suez (Cie) | 13.65 | 13.65 | 13.65 | 14.70 |
| Suez Lyon Eaux | 600 | 580 | 584 | 602 |
| Synthelabo | 650 | 617 | 617 | 650 |
| Thomson CSF | 168.70 | 160 | 167.80 | 168.90 |
| Total B | 638 | 620 | 633 | 648 |
| Usinor | 106.90 | 103.20 | 105.50 | 111.50 |
| Valeo | 398.90 | 376 | 382.10 | 400 |

### São Paulo

Bovespa index: 9849.48 Previous: 11545.30

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Bradesco Pfd | 10.60 | 9.80 | 9.80 | 10.95 |
| Brahma Pfd | 760.00 | 738.00 | 742.00 | 770.50 |
| Cemig Pfd | 53.00 | 48.31 | 48.31 | 54.02 |
| CESP Pfd | 98.00 | 90.00 | 91.00 | 101.00 |
| Copel | 16.20 | 15.00 | 15.00 | 16.50 |
| Eletrobras | 550.00 | 445.00 | 445.00 | 573.00 |
| Itaubanco Pfd | 605.00 | 565.00 | 575.00 | 627.00 |
| Light Servicos | 462.00 | 425.00 | 425.00 | 470.00 |
| Lightpar | 378.00 | 370.00 | 370.00 | 392.00 |
| Petrobras Pfd | 278.00 | 231.00 | 237.00 | 288.99 |
| Paulista Luz | 175.01 | 160.01 | 160.01 | 176.01 |
| Sid Nacional | 40.50 | 33.40 | 38.99 | 41.50 |
| Souza Cruz | 10.15 | 9.80 | 9.80 | 9.90 |
| Telebras Pfd | 135.00 | 118.50 | 120.00 | 140.30 |
| Telemig | 160.00 | 153.010 | 152.50 | 168.00 |
| Telerj | 152.00 | 139.00 | 139.00 | 156.00 |
| Telesp Pfd | 385.00 | 335.00 | 340.00 | 400.00 |
| Unibanco | 38.50 | 35.00 | 35.00 | 39.40 |
| Usiminas Pfd | 10.10 | 9.00 | 9.05 | 10.35 |
| CVRD Pfd | 25.10 | 21.90 | 22.01 | 25.10 |

### Seoul

Composite Index: 530.47 Previous: 548.47

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Dacom | 63000 | 58000 | 58000 | 60500 |
| Daewoo Heavy | 5650 | 5180 | 5200 | 5380 |
| Hyundai Eng. | 16000 | 14700 | 15000 | 15100 |
| Kia Motors | 9370 | 8630 | 8630 | 9370 |
| Korea El Pwr | 17200 | 15900 | 16800 | 16500 |
| Korea Exch Bk | 4590 | 4300 | 4380 | 4350 |
| LG Semicon | 24100 | 20300 | 20300 | 22000 |
| Pohang Iron St | 51100 | 47200 | 48200 | 49500 |
| Samsung Display | 40300 | 35600 | 35600 | 38500 |
| Samsung Elec | 56500 | 48000 | 48000 | 52100 |
| Shinhan Bank | 7650 | 7100 | 7250 | 7300 |
| SK Telecom | 414500 | 360000 | 360000 | 368000 |

### Singapore

Straits Times: 1619.98 Previous: 1617.81

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Asia Pac Brew | 4.90 | 4.88 | 4.88 | 4.90 |
| Cerebos Pac | 4.40 | 4.30 | 4.34 | 4.38 |
| City Devlts | 7.05 | 6.80 | 6.95 | 6.80 |
| Cycle Carriage | 6.95 | 6.60 | 6.85 | 6.55 |
| Dairy Farm Intl * | 0.89 | 0.86 | 0.89 | 0.88 |
| DBS foreign | 13.20 | 12.70 | 13.10 | 13.10 |
| DBS Land | 2.79 | 2.69 | 2.77 | 2.70 |
| Fraser & Neave | 7.45 | 7.35 | 7.55 | 7.25 |
| HK Land * | 2.57 | 2.45 | 2.48 | 2.60 |
| Jard Matheson * | 6.05 | 5.70 | 6 | 5.80 |
| Jard Strategic * | 3.40 | 3.22 | 3.24 | 3.40 |
| Keppel A | 5.05 | 4.80 | 4.84 | 4.90 |
| Keppel Bank | 2.83 | 2.75 | 2.75 | 2.80 |
| Keppel Fels | 4.50 | 4.30 | 4.44 | 4.22 |
| Keppel Land | 2.64 | 2.40 | 2.58 | 2.60 |
| OCBC foreign | 9.05 | 8.90 | 9.05 | 9.15 |
| OS Union Bk F | 5.80 | 5.40 | 5.60 | 5.75 |
| Parkway Hdgs | 4.66 | 4.18 | 4.40 | 4.44 |
| Sembawang | 5.35 | 5.10 | 5.15 | 5.15 |
| Sing Air foreign | 10.60 | 10 | 10.40 | 10.30 |
| Sing Land | 4.80 | 4.68 | 4.68 | 4.68 |
| Sing Press F | 20.30 | 18.80 | 18.80 | 20.10 |
| Sing Tech Ind | 2.25 | 2.12 | 2.15 | 2.14 |
| Sing Telecomm | 2.40 | 2.32 | 2.37 | 2.32 |
| Tat Lee Bank | 2.45 | 2.40 | 2.41 | 2.45 |
| Utd Industrial | 0.82 | 0.78 | 0.79 | 0.80 |
| Utd O'Sea Bk F | 9.35 | 9 | 9.10 | 9.40 |
| Wing Tai Hdgs | 2.28 | 2.16 | 2.16 | 2.22 |

*: in U.S. dollars.

### Stockholm

SX 16 index: 3144.15 Previous: 3312.73

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| AGA B | 110 | 106.50 | 107 | 111 |
| ABB A | 92.50 | 89 | 89.50 | 92.50 |
| AssiDoman | 244 | 221 | 224 | 232.50 |
| Astra A | 120 | 115.50 | 117 | 121 |
| Atlas Copco A | 228 | 224 | 224 | 231 |
| Autoliv | 296 | 290.50 | 294 | 300 |
| Electrolux B | 600 | 552 | 562 | 615 |
| Ericsson B | 346.50 | 332.50 | 333 | 358 |
| Hennes B | 295 | 278.50 | 286 | 296 |
| Incentive A | 673 | 656 | 664 | 678 |
| Investor B | 361 | 351 | 355 | 367.50 |
| MoDo B | 251.50 | 232.50 | 234 | 253 |
| Nordbanken | 240 | 230 | 233 | 244 |
| Pharm/Upjohn | 258 | 245 | 245 | 259.50 |
| Sandvik B | 241 | 237 | 238 | 247.50 |
| Scania B | 193 | 185 | 188.50 | 194.50 |
| SCA B | 169 | 163 | 166.50 | 170 |
| S-E Banken A | 86 | 83 | 84 | 87 |
| Skandia Fors | 345 | 335 | 339 | 351 |
| Skanska B | 295 | 286 | 287 | 297.50 |
| SKF B | 205 | 195 | 200 | 207 |
| Sparbanken A | 173 | 169 | 169.50 | 176.50 |
| Stora A | 114.50 | 107 | 109.50 | 115 |
| Sv Handels A | 236 | 226 | 230 | 238 |
| Volvo B | 210 | 203 | 203 | 211 |

### Sydney

All Ordinaries: 2477.00 Previous: 2561.30

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Amcor | 7.25 | 7.05 | 7.24 | 7.40 |
| ANZ Bking | 9.81 | 9.40 | 9.75 | 9.96 |
| BHP | 14.14 | 13.72 | 13.89 | 14.11 |
| Boral | 3.95 | 3.73 | 3.95 | 3.99 |
| Brambles Ind. | 27.23 | 26.50 | 26.56 | 27.61 |
| CBA | 15.79 | 15.30 | 15.45 | 15.84 |
| CC Amatil | 11.51 | 10.89 | 11.08 | 11.50 |
| Coles Myer | 6.85 | 6.75 | 6.78 | 6.92 |
| Comalco | 5.56 | 5.39 | 5.45 | 5.70 |
| CSR | 4.89 | 4.71 | 4.74 | 5.03 |
| Fosters Brew | 2.73 | 2.66 | 2.70 | 2.75 |
| Goodman Fld | 2.20 | 2.15 | 2.16 | 2.27 |
| ICI Australia | 11.65 | 11.25 | 11.27 | 11.80 |
| Lend Lease | 29.60 | 29.35 | 29.40 | 30.10 |
| MIM Hdgs | 1.46 | 1.38 | 1.40 | 1.49 |
| Nat Aust Bank | 20.05 | 19.40 | 19.80 | 20.20 |
| Nat Mutual Hdg | 2.60 | 2.31 | 2.56 | 2.25 |
| News Corp | 6.81 | 6.67 | 6.70 | 6.80 |
| Pacific Dunlop | 3.52 | 3.35 | 3.40 | 3.60 |
| Pioneer Intl | 4.02 | 3.80 | 3.93 | 4.06 |
| Pub Broadcast | 8.03 | 7.90 | 8.03 | 8.25 |
| Rio Tinto | 18.31 | 18.05 | 18.10 | 18.61 |
| St George Bank | 8.35 | 8.05 | 8.23 | 8.39 |
| WMC | 5.30 | 5.05 | 5.15 | 5.40 |
| Westpac Bking | 8.46 | 8.26 | 8.26 | 8.53 |
| Woodside Pet | 12.05 | 11.75 | 11.91 | 12.17 |
| Woolworths | 4.67 | 4.40 | 4.46 | 4.71 |

### Taipei

Stock Market index: 7662.53 Previous: 7719.04

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Cathay Life Ins | 131 | 127 | 128 | 127 |
| Chang Hwa Bk | 101 | 98 | 100 | 98.50 |
| Chiao Tung Bk | 71 | 68.50 | 69 | 70 |
| China Devlpmt | 92 | 89.50 | 90.50 | 91 |
| China Steel | 24.50 | 24.30 | 24.30 | 24.30 |
| First Bank | 102.50 | 100 | 100.50 | 101 |
| Formosa Plastic | 52.50 | 51.50 | 51.50 | 52 |
| Hua Nan Bk | 106.50 | 103.50 | 105.50 | 105 |
| Intl Comm Bk | 57.50 | 55.50 | 55.50 | 56.50 |
| Nan Ya Plastics | 54.50 | 53 | 53.50 | 53.50 |
| Shin Kong Life | 89 | 83 | 83 | 86.50 |
| Taiwan Semi | 121 | 116 | 116 | 120.50 |
| Tatung | 31.60 | 31 | 31.10 | 31.40 |
| Utd Micro Elec | 72.50 | 69 | 69 | 71 |
| Utd World Chin | 60 | 57.50 | 58 | 59 |

### Tokyo

Nikkei 225: 17038.45 Previous: 17363.74

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Ajinomoto | 1120 | 1070 | 1120 | 1060 |
| All Nippon Air | 597 | 590 | 590 | 593 |
| Amway | 3500 | 3450 | 3500 | 3500 |
| Asahi Bank | 653 | 636 | 640 | 665 |
| Asahi Chem | 560 | 542 | 551 | 542 |
| Asahi Glass | 850 | 825 | 825 | 852 |
| Bk Tokyo Mitsu | 1690 | 1610 | 1620 | 1700 |
| Bk Yokohama | 535 | 520 | 535 | 539 |
| Bridgestone | 2810 | 2770 | 2770 | 2830 |
| Canon | 3150 | 3090 | 3150 | 3140 |
| Chubu Elec | 2010 | 1980 | 2010 | 2010 |
| Chugoku Elec | 1950 | 1910 | 1950 | 1930 |
| Dai Nipp Print | 2510 | 2470 | 2500 | 2540 |
| Daiei | 560 | 549 | 550 | 573 |
| Dai-Ichi Kang | 1060 | 1020 | 1020 | 1070 |
| Daiwa Bank | 450 | 435 | 445 | 450 |
| Daiwa House | 1220 | 1160 | 1190 | 1170 |
| Daiwa Sec | 717 | 703 | 703 | 720 |
| DDI | 4690a | 4620a | 4670a | 4700a |
| Denso | 2830 | 2780 | 2800 | 2850 |
| East Japan Ry | 5850a | 5590a | 5770a | 5790a |
| Eisai | 1980 | 1880 | 1970 | 1900 |
| Fanuc | 4970 | 4860 | 4970 | 4980 |
| Fuji Bank | 1190 | 1130 | 1140 | 1190 |
| Fuji Photo | 4830 | 4760 | 4810 | 4850 |
| Fujitsu | 1400 | 1370 | 1380 | 1420 |
| Hachijuni Bk | 1170 | 1150 | 1150 | 1160 |
| Hitachi | 1010 | 991 | 995 | 1030 |
| Honda Motor | 4360 | 4150 | 4150 | 4200 |
| IBJ | 1250 | 1220 | 1230 | 1270 |
| IHI | 277 | 258 | 277 | 265 |
| Itochu | 418 | 408 | 416 | 418 |
| Ito-Yokado | 6290 | 6100 | 6250 | 6300 |
| JAL | 412 | 408 | 409 | 412 |
| Japan Tobacco | 9900a | 9700a | 9890a | 995a |
| Jusco | 2810 | 2720 | 2750 | 2820 |
| Kajima | 578 | 551 | 551 | 588 |
| Kansai Elec | 2090 | 2050 | 2070 | 2060 |
| Kao | 1760 | 1730 | 1750 | 1760 |
| Kawasaki Hvy | 335 | 317 | 335 | 321 |
| Kawa Steel | 223 | 214 | 220 | 222 |
| Kinki Nipp Ry | 666 | 663 | 664 | 666 |
| Kirin Brewery | 1060 | 1030 | 1050 | 1060 |
| Kobe Steel | 145 | 140 | 144 | 144 |
| Komatsu | 689 | 654 | 689 | 649 |
| Kubota | 465 | 443 | 455 | 443 |
| Kyocera | 7580 | 7380 | 7580 | 7550 |
| Kyushu Elec | 1950 | 1970 | 1940 | 1920 |
| LTCB | 467 | 452 | 460 | 460 |
| Marubeni | 383 | 360 | 375 | 360 |
| Marui | 2100 | 2010 | 2080 | 2070 |
| Matsu Comm | 4390 | 4220 | 4370 | 4250 |
| Matsu Elec Ind | 2150 | 2110 | 2140 | 2170 |
| Matsu Elec Wk | 1170 | 1150 | 1150 | 1180 |
| Mitsubishi | 1100 | 1080 | 1080 | 1070 |
| Mitsubishi Ch | 265 | 256 | 262 | 256 |
| Mitsubishi El | 448 | 436 | 440 | 441 |
| Mitsubishi Est | 1550 | 1520 | 1520 | 1570 |
| Mitsubishi Hvy | 667 | 638 | 655 | 648 |
| Mitsubishi Mat | 530 | 522 | 530 | 525 |
| Mitsubishi Tr | 1680 | 1560 | 1560 | 1650 |
| Mitsui | 971 | 943 | 968 | 973 |
| Mitsui Fudosn | 1390 | 1360 | 1380 | 1400 |
| Mitsui Trust | 440 | 423 | 430 | 450 |
| Murata Mfg | 5030 | 4950 | 5000 | 4940 |
| NEC | 1390 | 1370 | 1390 | 1420 |
| Nikko Sec | 1700 | 1540 | 1590 | 1740 |
| Nikon | 478 | 467 | 472 | 472 |
| Nintendo | 11100 | 11000 | 11100 | 11100 |
| Nipp Express | 690 | 670 | 684 | 690 |
| Nippon Oil | 515 | 501 | 512 | 510 |
| Nippon Steel | 260 | 254 | 259 | 260 |
| Nissan Motor | 645 | 600 | 627 | 607 |
| NKK | 186 | 181 | 181 | 181 |
| Nomura Sec | 1490 | 1460 | 1490 | 1540 |
| NTT | 1080b | 1050b | 1060b | 1080b |
| NTT Data | 5980b | 5880b | 5980b | 6000b |
| Oji Paper | 598 | 582 | 588 | 592 |
| Osaka Gas | 272 | 261 | 272 | 268 |
| Ricoh | 1630 | 1580 | 1610 | 1670 |
| Rohm | 12200 | 12000 | 12200 | 12900 |
| Sakura Bk | 504 | 495 | 499 | 511 |
| Sankyo | 4220 | 4140 | 4220 | 4210 |
| Sanwa Bank | 1320 | 1240 | 1240 | 1330 |
| Sanyo Elec | 414 | 396 | 403 | 396 |
| Secom | 8370 | 8230 | 8370 | 8390 |
| Seibu Rwy | 4790 | 4760 | 4790 | 4830 |
| Sekisui Chem | 938 | 896 | 908 | 900 |
| Sekisui House | 1040 | 1020 | 1030 | 1040 |
| Seven-Eleven | 8900 | 8800 | 8900 | 9090 |
| Sharp | 995 | 975 | 978 | 998 |
| Shikoku El Pwr | 1950 | 1890 | 1920 | 1920 |
| Shimizu | 578 | 555 | 560 | 570 |
| Shin-etsu Ch | 3070 | 2970 | 2990 | 3170 |
| Shiseido | 1670 | 1640 | 1660 | 1680 |
| Shizuoka Bk | 1270 | 1250 | 1260 | 1260 |
| Softbank | 3920 | 3790 | 3800 | 4000 |
| Sony | 10300 | 10100 | 10300 | 10600 |
| Sumitomo | 906 | 875 | 893 | 894 |
| Sumitomo Bk | 1480 | 1400 | 1420 | 1500 |
| Sumit Chem | 438 | 427 | 430 | 435 |
| Sumitomo Elec | 1640 | 1620 | 1640 | 1660 |
| Sumit Metal | 276 | 266 | 267 | 261 |
| Sumit Trust | 986 | 950 | 954 | 1010 |
| Taisho Pharm | 3280 | 3250 | 3280 | 3270 |
| Takeda Chem | 3520 | 3450 | 3500 | 3520 |
| TDK | 9950 | 9630 | 9450 | 10300 |
| Tohoku El Pwr | 1950 | 1930 | 1930 | 1930 |
| Tokai Bank | 781 | 765 | 769 | 796 |
| Tokio Marine | 1310 | 1280 | 1290 | 1340 |
| Tokyo El Pwr | 2290 | 2240 | 2260 | 2250 |
| Tokyo Electron | 6810 | 6500 | 6530 | 7400 |
| Tokyo Gas | 283 | 275 | 279 | 277 |
| Tokyu Corp. | 515 | 506 | 510 | 516 |
| Tonen | 961 | 940 | 940 | 991 |
| Toppan Print | 1570 | 1530 | 1540 | 1590 |
| Toray Ind | 708 | 683 | 708 | 697 |
| Toshiba | 557 | 537 | 550 | 555 |
| Tostem | 1790 | 1770 | 1770 | 1780 |
| Toyo Trust | 917 | 901 | 909 | 935 |
| Toyota Motor | 3720 | 3640 | 3640 | 3690 |
| Yamanouchi | 3160 | 3100 | 3130 | 3240 |

a: x 100; b: x 1,000

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THE WORLD'S DAILY NEWSPAPER

### Toronto

TSE Industrials: 6721.58 Previous: 7033.49

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Abitibi Cons. | 22¼ | 20¾ | 20.80 | 22.30 |
| Alberta Energy | 33⅝ | 32.55 | 32.55 | 33¾ |
| Alcan Alum | 43¾ | 40¾ | 40.90 | 44.30 |
| Anderson Expl | 16.10 | 15.10 | 15.20 | 16.10 |
| Bk Montreal | 61.30 | 58.80 | 59.10 | 61⅛ |
| Bk Nova Scotia | 65¼ | 63¼ | 63½ | 65.55 |
| Barrick Gold | 30.15 | 27.70 | 28¼ | 30.45 |
| BCE | 40.80 | 38.80 | 39¼ | 40.80 |
| BC Telecomm | 34½ | 34¼ | 34.30 | 36½ |
| Biochem Pharm | 35¼ | 33¾ | 33¾ | 36 |
| Bombardier B | 27.85 | 26.90 | 27.10 | 28 |
| Cameco | 55 | 51½ | 52 | 55.60 |
| CIBC | 40.90 | 38¾ | 39.30 | 40.90 |
| Cdn Natl Rail | 78½ | 72¼ | 73 | 78.85 |
| Cdn Nat Res | 41 | 39.10 | 39.10 | 41 |
| Cdn Occid Pet | 37.40 | 36.20 | 36½ | 37.35 |
| Cdn Pacific | 43½ | 42.30 | 42.45 | 43½ |
| Cominco | 31.20 | 27.90 | 27.90 | 31½ |
| Dofasco | 26.90 | 26¼ | 26¼ | 26.90 |
| Domtar | 11.70 | 11.10 | 11.20 | 11.80 |
| Donohue A | 29¼ | 28¼ | 28¼ | 29.55 |
| Du Pont Cda A | 34¼ | 34 | 34 | 34½ |
| EdperBrascan | 26.45 | 24¾ | 24¾ | 26¾ |
| EuroNev Mng | 22 | 21 | 21¼ | 22.20 |
| Fairfax Finl | 365 | 340 | 342 | 361 |
| Falconbridge | 34 | 21.40 | 21.40 | 24¼ |
| Fletcher Chall A | 22.65 | 20½ | 20¾ | 22.60 |
| Franco Nevada | 31 | 30 | 30½ | 34½ |
| Gulf Cda Res | 12.30 | 11¾ | 11.30 | 12.30 |
| Imperial Oil | 86 | 82 | 83.15 | 86½ |
| Inco | 31¼ | 28.30 | 28¾ | 31.35 |
| IPL Energy | 54.45 | 53¾ | 53¾ | 54.45 |
| Laidlaw B | 20½ | 19.40 | 19.40 | 20.70 |
| Loewen Group | 34.80 | 32¾ | 33¾ | 34.40 |
| Macmill Bldl | 19¾ | 18½ | 18½ | 19¾ |
| Magna Intl A | 99 | 96.10 | 96½ | 98½ |
| Methanex | 12.45 | 12 | 12.05 | 12.40 |
| Moore | 24.70 | 23.05 | 23¼ | 24.90 |
| Newbridge Net | 76.85 | 70½ | 72.20 | 77 |
| Noranda Inc | 25.90 | 24¾ | 24.60 | 26.35 |
| Norcen Energy | 33.20 | 31¼ | 31¼ | 33.05 |
| Nthern Telecom | 128.35 | 119⅞ | 121¼ | 129.90 |
| Nova | 11¼ | 11⅛ | 11½ | 11.70 |
| Onex | 36½ | 35 | 35½ | 36½ |
| Pancdn Petlm | 24.45 | 22¾ | 22¾ | 24.30 |
| Petro Cda | 27.70 | 26.40 | 26⅞ | 27.70 |
| Placer Dome | 23.05 | 20.70 | 20.80 | 23.40 |
| Poco Petlm | 13.40 | 12.95 | 13.05 | 13.55 |
| Potash Sask | 118 | 115 | 115 | 118.20 |
| Renaissance | 33½ | 32.70 | 32¾ | 33.95 |
| Rio Algom | 27.40 | 26 | 26 | 27.40 |
| Rogers Cantel B | 23¾ | 22¼ | 22¾ | 23½ |
| Seagram Co | 51½ | 49.90 | 50.15 | 50.30 |
| Shell Cda A | 27¾ | 27 | 27 | 28 |
| Suncor | 49 | 46.55 | 46.65 | 49 |
| Talisman Eny | 50½ | 49 | 49.80 | 50½ |
| Teck B | 26 | 24 | 25.10 | 25½ |
| Teleglobe | 48 | 45.60 | 45.60 | 49½ |
| Telus | 28.15 | 27.30 | 27.30 | 28.10 |
| Thomson | 35 | 34 | 34.20 | 35 |
| TorDom Bank | 51 | 49.30 | 49.45 | 50.70 |
| Transalta | 19.20 | 18.35 | 18½ | 19¼ |
| TransCda Pipe | 27 | 26.55 | 26.55 | 27.05 |
| Trimark Finl | 76 | 68¾ | 69½ | 75 |
| Trizec Hahn | 37 | 35.40 | 35.40 | 36.80 |
| TVX Gold | 6.65 | 6.15 | 6.15 | 6.65 |
| Westcoast Eny | 29.05 | 28½ | 28.65 | 29 |
| Weston | 103 | 98 | 98 | 103 |

### Vienna

ATX Index: 1349.89 Previous: 1386.57

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Boehler-Uddeh | 980 | 944.55 | 948 | 988.90 |
| Creditanst Pfd | 734 | 705 | 721.10 | 737 |
| EA-Generali | 3100 | 3000 | 3000 | 3085 |
| EVN | 1439.95 | 1408 | 1419 | 1444 |
| Flughafen Wien | 505.70 | 499.50 | 501 | 505.30 |
| OMV | 1850 | 1791 | 1799 | 1870 |
| Oest Elektriz | 931 | 920.10 | 928.10 | 926 |
| VA Stahl | 571 | 547 | 550 | 584 |
| VA Tech | 2310 | 2272 | 2280 | 2315.10 |
| Wienerberg Bau | 2495 | 2444.35 | 2455 | 2490 |

## Market Closed

The stock market in Wellington was closed Monday for a holiday.

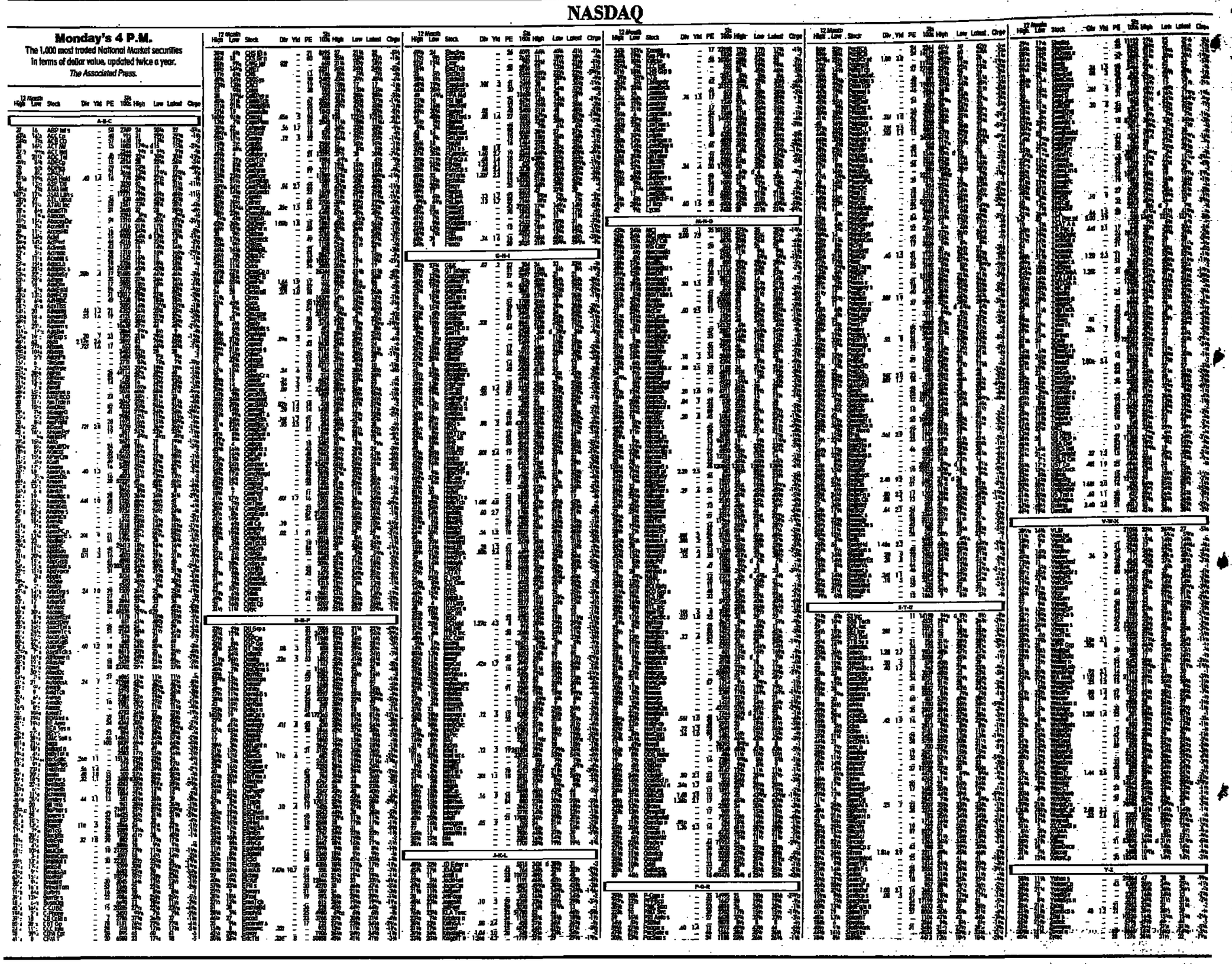
### Zurich

SPI Index: 3538.70 Previous: 3638.87

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| ABB B | 1925 | 1880 | 1890 | 1960 |
| Adecco B | 521 | 515 | 519 | 525 |
| Alusuisse R | 1353 | 1320 | 1329 | 1378 |
| Ares-Serono B | 2620 | 2550 | 2620 | 2650 |
| Atel R | 851 | 851 | 851 | 860 |
| Baer Hdg B | 2240 | 2155 | 2170 | 2275 |
| Baloise Hdg R | 2530 | 2330 | 2402 | 2490 |
| BK Vision | 1205 | 1185 | 1195 | 1225 |
| Ciba Spec Chem | 147 | 142.75 | 144 | 150 |
| Clariant R | 1115 | 1075 | 1100 | 1133 |
| Crd Suisse Gp R | 206.75 | 201.50 | 202 | 211 |
| Elektrowatt B | 538 | 536 | 536 | 536 |
| Ems-Chemie | 6950 | 6850 | 6890 | 6995 |
| ESEC Hdg | 3950 | 3780 | 3805 | 4050 |
| Holderbank B | 1298 | 1239 | 1242 | 1309 |
| Liechtenst LB B | 563 | 557 | 557 | 563 |
| Nestlé R | 2012 | 1978 | 1990 | 2041 |
| Novartis R | 2267 | 2213 | 2226 | 2303 |
| Oerlikon Buehr R | 186.50 | 181 | 181.50 | 189 |
| Pargesa Hld B | 1890 | 1825 | 1890 | 1860 |
| PharmaVisn B | 871 | 850 | 850 | 888 |
| Richemont A | 1745 | 1620 | 1650 | 1890 |
| Pirelli PC | 342 | 335 | 335 | 344 |
| Roche Hdg PC | 12385 | 12050 | 12140 | 12405 |
| SBC R | 393 | 380.50 | 385.50 | 397.50 |
| Schindler PC | 1690 | 1660 | 1680 | 1690 |
| SGS B | 2750 | 2660 | 2700 | 2800 |
| SMH B | 838 | 824 | 831 | 844 |
| Sulzer R | 1105 | 1064 | 1064 | 1124 |
| Swiss Reins R | 2161 | 2107 | 2130 | 2185 |
| SAir Group R | 1940 | 1865 | 1880 | 1944 |
| UBS B | 1623 | 1581 | 1609 | 1613 |
| Winterthur R | 1531 | 1463 | 1474 | 1545 |
| Zurich Assur R | 594 | 580 | 589 | 599 |

# NASDAQ

**Monday's 4 P.M.**
The 1,000 most traded National Market securities
in terms of dollar value, updated twice a year.
*The Associated Press.*



# NYSE

**Monday's 4 P.M. Close**

**(Continued)**

صكنا من الاصل



# U.K. Firm Gets a Lift With Deal In Malaysia

*Bloomberg News*

KUALA LUMPUR — Costain PLC, one of the oldest construction companies in Britain, got a much-needed lift Monday when it signed a contract with four Malaysian companies to build a $442 million rail link between Kuala Lumpur and a new airport at Sepang.

Costain, which was brought back from the brink of insolvency last year when Malaysia's Intria Bhd. bought a controlling 37.2 percent stake, is asking shareholders next week to approve a plan to issue 130 million new shares.

The rail contract may encourage shareholder support for Costain's plan, which would raise $77 million.

Costain's shares have been suspended on the London Stock Exchange for the past year, after the company was declared insolvent. With the capital increase, Costain's shares could resume trading by Nov. 7.

The rail contract is Costain's first Malaysian project since Intria bought its stake. Costain's Malaysian unit, Costain (M) Sdn., has a 15 percent stake in the venture that will build the 57-kilometer (36-mile) rail link running south of the capital.

The 1.5 billion ringgit ($442.2 million) project will link Penang island in the north to Peninsular Malaysia. The venture is led by Tabung Haji Technologies Sdn., a unit of Malaysia's state-owned Pilgrims' Fund.

# Seoul Markets Fall After No Quick Fix

By Velisarios Kattoulas
*International Herald Tribune*

TOKYO — The South Korean won slid to a record low against the dollar and stocks fell to their lowest level in five years Monday after the government tried but failed to soothe investors spooked by the turmoil sweeping Asian financial markets.

The latest drop in South Korean and other Asian financial markets underscored the lack of any quick fixes for the region, analysts said. More important, they said, it highlighted the need for long-term policies — probably using taxpayer money — to pull the region's financial institutions back from the brink of collapse.

"All the governments in the region can do is to address the problems in a way that builds their credibility," Miron Mushkat, chief economist for Lehman Brothers in Asia, said in Hong Kong. "And they must do it and in a manner that is transparent, minimizes ambiguity and is consistent with the problems at hand."

After the won and stocks plummeted last week, the government scheduled a special meeting of economic advisers for Monday and hinted at emergency measures to stabilize shaky financial markets.

Indeed, the local media reported over the weekend that Seoul might lend money to local brokerages to support share prices, which have fallen by nearly one-third since the beginning of the year.

But the meeting disappointed investors, as President Kim Young Sam made only vague pledges to hasten the introduction of previously announced measures to support financial markets.

"Various steps have been taken to stabilize the market," Mr. Kim told his ministers at the meeting. "But I hope the prime minister will work on the minute details and ensure they are implemented without any setbacks."

Mr. Kim was referring to the announcement by the government this month that it would let foreigners own larger stakes in listed companies.

At the meeting, Mr. Kim also urged Kang Kyong Shik, the deputy prime minister and minister of economy and finance, to "come up with measures so that the financial market can quickly recover."

Following the meeting, the Seoul bourse gave up early gains of more than 1 percent as investors dumped South Korean stocks. The Korea composite index finished down 18 points, or 3.28 percent, at 530.47, its lowest close since September 1992. For every stock that rose, six fell.

The dollar rose to a record high of 939.50 won from 929.30 on Friday.

In the first 25 days of October, foreigners investors, who account for about 6 percent of daily trading, sold $635 million more stock in South Korean companies than they bought, according to the exchange.

Chipmakers and oil refiners led the market lower Monday.

The electronics subindex fell 6.1 percent, to 325.1 points, after news reports said the price of the benchmark 16-megabit memory chip had fallen below $5. Analysts said the decline would make it almost impossible for the South Korean companies that dominate the memory-chip market to make money.

Shares in Samsung Electronics Co. fell 7.9 percent at 48,000 won ($51.65). Shares in LG Semicon Co. fell 7.7 percent, to 20,300 won.

Among oil refiners, Yukong Ltd.'s shares fall most sharply, ending down 7.4 percent at 13,700 won. Like other refiners, the company was hit hard by the won's fall against the dollar.

LG Research Institute estimates that a 1 percent drop in the won against the dollar reduces the profit-to-sales ratio at South Korean refineries by 2.5 percent.

Stocks of companies in the bankrupt Kia Group plunged after prosecutors said they might investigate Kim Sun Hong, Kia's chairman, following allegations of embezzlement.

Shares in Kia Motors Corp., Kia's flagship company and South Korea's third-largest carmaker, tumbled 7.9 percent, to 8,630 won.

But Ssangyong Paper Co. stock rose 7.8 percent, to 26,300 won, after the announcement that the company would be taken over. Procter & Gamble Co. said it would buy a 25 percent controlling stake in the paper maker for $69 million. The U.S. company said it would bring its stake to 51 percent by the end of the year, to increase its share in South Korea's rapidly growing markets for toilet paper and other sanitary products.

Analysts have warned that a failure to address the weakness of financial markets with skill, speed and determination could slow economic development across Asia significantly.

"There are not necessarily any short-term solutions," Mr. Mushkat said. The process of recovery, he added, "could be protracted and involve what one might call creative destruction" to build more efficient financial systems on which to base future economic development.

## Very briefly:

• **Taiwan** posted moderate trade growth with China, despite Taipei's caution against close economic ties with Beijing. Indirect trade reached $15.22 billion in the January-August period, up 8.5 percent over the same period a year ago.

• **Sumitomo Bank Ltd.** slashed its half-year earnings estimate by 78 percent to 11 billion yen and said it would report a 440 billion yen ($3.6 billion) loss for the full year as it writes off 800 billion yen in bad loans. Sumitomo also said it would trim its 15,500 work force by 700 and close or merge 30 of its 350 branches in Japan in the next two years.

• **Gajah Tunggal Group** plans a $2 billion 50-50 joint-venture petrochemical plant in Indonesia with Dow Chemical of the United States. The news pushed the Indonesian company's share prices 5 percent higher to 525 rupiah ($14.60).

• Some small Chinese banks and credit cooperatives could sink into bankruptcy because of bad loans, although a banking crisis was unlikely, the governor of the People's Bank of China, Dai Xianglong, was quoted as saying in the China Daily. Beijing has set aside 30 billion yuan ($3.6 billion) a year to write off bad debt this year, and 40 billion yuan for next year.

• **Acer Inc.**'s pretax profit in the first three quarters fell 28 percent to 1.57 billion Taiwan dollars ($51.7 million) because sales at two of its biggest units — Texas Instruments-Acer Inc. and Acer America Corp., fell below expectations.

• Passenger traffic on air carriers in the Asia-Pacific region will grow at an annual rate of 8.5 percent between 1995 and 2000, compared with the global growth rate of 5.5 percent, the International Civil Aviation Organization said.

• **Japan's** vehicle production rose 1.1 percent in September from the same month a year earlier, to 933,754 units, the Japan Automobile Manufacturers Association said. The increase was the 12th in the last 13 months as carmakers continued to raise output to meet overseas demand. *AFP, Reuters, Bloomberg*

# Mitsubishi Companies Sink Deeper Into Payoff Scandal

*Compiled by Our Staff From Dispatches*

TOKYO — Mitsubishi companies sank further into a corporate gangster scandal Monday as Mitsubishi Estate Co. became the third to admit making payments to a racketeer.

The Mitsubishi scandal is centered on payments to a company run by the wife of the reputed gangster Terubo Tei, supposedly in return for using a summer resort house south of Tokyo.

Mitsubishi Estate, Japan's leading real estate company, admitted Monday that it had made remittances to the account of the resort house company.

"Our company paid fees as part of its employee social benefits after making a contract with Honma International, which runs the summer house," Mitsubishi Estate said, declining further comment during police investigations.

The Mitsubishi companies fell into the mire of the gangster scandals that have engulfed other sectors, including Japan's top four brokerage houses, when four Mitsubishi Motors Corp. officials were arrested last week.

Over the weekend, it was revealed that 10 companies of the Hitachi group, Dai Nippon Printing Co. and Asahi Bank Ltd. had also paid money into the "holiday house" account held by racketeers.

Shares in Asahi Bank and Hitachi Ltd. and other Hitachi companies fell Monday in response to the affair.

The four senior Mitsubishi Motors officials were arrested for allegedly paying more than 9 million yen ($73,710) to Mr. Tei and another racketeer to buy their silence during annual meetings. Mr. Tei was arrested last Wednesday on charges of receiving money from Mitsubishi Motors.

Mitsubishi Motors was the first Mitsubishi company and the first company in the Japanese automaking sector to be accused of paying off such gangsters, who are known as *sokaiya*.

Sokaiya traditionally extort money by purchasing shares in companies and then threatening to disrupt their annual shareholders' meetings and reveal damaging corporate information.

Such payments to racketeers are banned by Japan's commercial code.

In the financial sector, 24 executives have been arrested from Nomura Securities Co., Yamaichi Securities Co., Nikko Securities Co. and Dai-Ichi Kangyo Bank Ltd. for payments to the sokaiya Ryuichi Koike. *(AFP, Bloomberg)*

Because of technical difficulties, the Investor's Asia chart could not be published today. We regret the inconvenience.

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THE WORLD'S DAILY NEWSPAPER

# KING: *Horror-Novel Writer Sends a Shudder Through Publishing*

Continued from Page 13

But recently, Mr. King was forced to share the rarefied air of superstar status after Viking's corporate parent, the British media conglomerate Pearson PLC, acquired the Putnam Berkley Group early this year and created Penguin Putnam Inc. That brought into the same stable the author Tom Clancy, whose sales record far outstripped Mr. King's. In 1996, according to Publishers Weekly, Mr. Clancy sold more than 2.4 million copies of "Executive Orders" while Mr. King sold 1.5 million copies of his books.

In the top echelon of the publishing industry, the conventional wisdom is that Mr. King was bolting Penguin Putnam because he was irked that Mr. Clancy had negotiated a more lucrative deal. In August, Penguin Putnam announced a complex deal with Mr. Clancy that includes a partnership to develop on-line games and the publication of two novels.

Penguin Putnam officials declined to reveal the total cost, but publishing executives estimate that Mr. Clancy could earn more than $20 million for each book, which does not include money spent on the on-line ventures, bringing the estimated total of the deal to nearly $100 million. In his last deal with Penguin, Mr. King earned almost $16 million for each book based on a four-book sale for $63.5 million.

The bottom line for Penguin Putnam is apparently the view that Mr. Clancy sells so many books that he will earn a profit even with a sizable advance.

Mr. King, who lives in Maine, was unavailable for comment. His lawyer and agent of 10 years, Arthur Greene, said the author was traveling in Australia.

Mr. Greene said that Mr. King had decided to sever ties with Penguin Putnam after reaching an "impasse," which he declined to describe.

"There were aspects that he wasn't satisfied with. He became a bit stale," Mr. Greene said, adding that he was referring to the author's treatment and growth.

Mr. Greene said he had "no idea" how much Mr. Clancy made on his contract with Penguin Putnam and that Mr. King was simply searching for a "new, enduring relationship." Mr. Greene also declined to elaborate in detail about what Mr. King is hunting for, but he said, "it's the publishing strategy principally and, of course, financial considerations."

Mr. King's spurned publisher, Penguin Putnam, is saying little publicly while keenly watching the actions of its rivals. Although Mr. Greene said that Mr. King's relationship with Penguin Putnam had ended, Marilyn Ducksworth, a senior vice president for the company, said gamely, "As far as we're concerned, we are still in negotiations."

The flap over Mr. King leaves publishers playing out the standard tension scenes of any horror movie as they warily pass each other in Manhattan restaurants. Will a competitor take the plunge and pay Mr. King an enormous advance?

"What's interesting about this is to see whether all this talk about a recession in the book business has had some impact," said one of the players. "All it takes," he added, "is one."

# INDONESIA: *Asian Test Case*

Continued from Page 13

and rumors that even more bailout money may be needed, the IMF package has not convinced investors that it is a sound basis for economic recovery in Thailand. Share prices there slipped a further 3 percent Monday.

That is why the negotiations with Indonesia, which are reportedly close to completion, have assumed increased importance.

The IMF-led team met Indonesian officials Monday to try to finalize technical details before the package was submitted to Mr. Suharto and the IMF in Washington for final approval, Reuters reported from Jakarta.

Underlining the regional significance of the package, Malaysia said Monday that it would provide $1 billion to help restore confidence in Indonesia.

"We believe Indonesian economic fundamentals are sound," Anwar Ibrahim, Malaysia's deputy prime minister and finance minister, said on a visit to Jakarta. "We have agreed to take necessary and strategic steps together to fight speculation and manipulation."

Singapore also said last week that it would provide financial support to Indonesia, but did specify an amount.

Goh Chok Tong, Singapore's prime minister, said in a recent interview with the BBC that the outcome of the Jakarta negotiations could have an important stabilizing effect on regional financial markets.

"If we get a good package coming out from Indonesia and the Indonesian government shows strong will to implement the package, then confidence will be restored in Indonesia," he said. "That could be the start of some positive ripples throughout the region."

The U.S. Treasury secretary, Robert Rubin, indicated Sunday in Washington that the Clinton Administration attached similar importance to the IMF's negotiations with Indonesia.

Ong Sin Beng, an economist at J.P. Morgan & Co., said the critical task facing the two sides in Jakarta was to agree on reforms that would restore confidence in Indonesia's economy and banking system.

"The key signs to look for will be increased foreign participation in the private sector, the gradual dismantling of an uneven tariff structure, and willingness by the authorities to allow some bank failures," he said. "Progress on these fronts, especially if on all three together, would offer a convincing signal that the monopolistic structure of Indonesia's businesses is at long last being dismantled."

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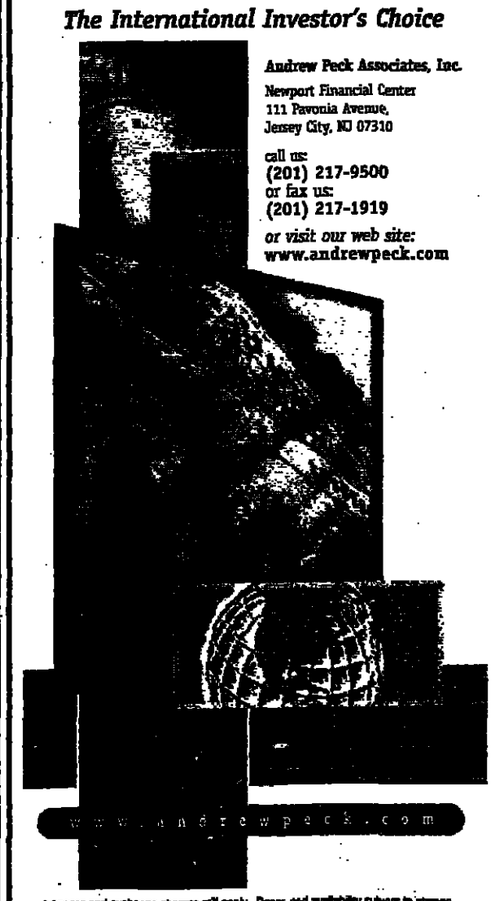


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هكذا من الأصل

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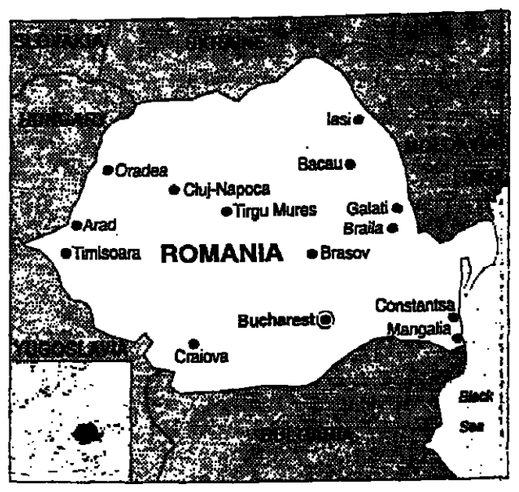
# THE REMAKING OF ROMANIA

***A year ago, Romanians elected a government that had campaigned on a promise to remake the country. The past year has seen a transformation of the state's role in the economy and its relationship with the citizenry. The new government has worked hard to assure the people that the transition to a market system, although accompanied by hardship, was necessary to build a healthier economy. It has won their support, as well as that of the international financial and business community.***

***Right: Central Bucharest, with the Ceausescu palace in the background.***

ANDREW MOORE/REA




## ECONOMIC REFORM BEGINS TO PRODUCE RESULTS

*The government, which has been in office for one year, has broken with the past, and Romania is making a promising new start.*

Upon taking office in November 1996, the new Romanian government promised to make a radical break with the past and all its practices. The reasons for doing so were clear. The country was in the midst of a ballooning economic crisis, caused by the previous government's reluctance to institute badly needed but unpopular economic reforms.

In 1996, Romania ran a current account deficit of 7.4 percent of gross domestic profit and a budget deficit of 3.9 percent of GDP. These imbalances and the borrowing they triggered fueled inflation, which averaged 57 percent for the year. GDP was $36.5 billion in 1996.

The deterioration of the country's financial fundamentals sapped the health of the perpetually frail leu, the country's currency, and of the country's economy as a whole.

The new government, led by President Emil Constantinescu and Prime Minister Victor Ciorbea, refused economic procrastination. It took a series of draconian measures, among them the raising in March of the Lombard, the ceiling short-term rate, and other lending rates charged to commercial banks to new all-time highs.

The rate hike caused the banks, scrambling for cash, to boost their rates of deposit to nearly 100 percent. Romanians of all description rushed to take advantage of these sky-high rates, consigning record amounts of cash to the country's banks. This took the steam out of the inflationary spiral and curtailed the wholesale purchasing of foreign goods.

To cut the budgetary deficit, the Ciorbea government lopped direct and indirect subsidies to industrial companies. The former had accounted for 10 percent of the national government's expenditures. The latter was largely comprised of artificially cheap prices for energy, which the government raised six-fold. The government also drastically pruned the budgets of the individual ministries.

The measures have produced the desired results. The country ran a 0.7 percent rate of monthly inflation in July, before it rose to 3.5 percent in August.

The country's office of statistics views the "true" annual rate as somewhere around 20 percent, according to a report appearing in Handelsblatt, the German business daily. The trade deficit has been cut by a quarter.

While handling the country's pressing problems, the government found time to embark upon the restructuring of the fabric of Romanian economic life. More than 200 major pieces of legislation have been approved and enacted since the Ciorbea government entered office. The new legislation has kicked the country's privatization process into high gear. According to the State Ownership Fund, the country's main privatization agency, 1,089 companies were privatized from January 1 to September 15, 1997. Of them, 21 were large-sized.

Privatization has swelled the share held by the private sector in the country's economy from 52 percent (as of the end of 1996) to 66 percent today, according to the National

Continued on page 21

VALERIU TANASOFF

*President Emil Constantinescu.*

## NEXT UP FOR NATO

The development of Romania's bid to join NATO in the spring and early summer this year was reminiscent of a horse race described by British jockey-turned-novelist Dick Francis. Discounted by all the touts, a dark horse surges from the back of the pack, gathers speed during the home stretch and almost finishes in the money on July 8.

But this story is set to have a sequel, one with a happy ending for Romania.

NATO has announced plans to conduct a second wave of expansion in 1999. Based on commitments made by President Bill Clinton of the United States and on the continuing support shown for Romania by France and other European NATO members, Romania can confidently count on getting the nod, according to a wide range of international reports.

In addition to its large army and relatively high level of defense spending, it was Romania's geopolitical location that has brought about much of this European support.

That might seem a bit strange, as Romania is smack dab in the middle of the turbulent Balkans.

With the notable exception of Hungary, each of Romania's neighbors is or recently has been in a state of upheaval.

The argument has been made that the Atlantic alliance should steer clear of making commitments to countries in the area, with its political uncertainty and local "brush fires."

**Cordial relations**

This is a faulty analysis, says a senior Romanian government spokesperson: "As the events in Bosnia have shown, NATO can't and won't shirk from its role of being Europe's foremost peacekeeper. And that's precisely the attraction of Romania. Because we have managed to maintain cordial relationships with all of our neighbors throughout their crises, and because we are a politically stable country, Romania can serve as a safe base and conduit for peacemaking initiatives in the region."

While the outside world considers Romania a shoe-in for future NATO membership, the country's leaders are working to maintain and even increase the momentum for membership.

Since July 8, Romania has announced a wide range of plans to enhance its armed forces' interoperability with those of NATO. It has also set up a NATO information office in Bucharest.

**Terry Swartzberg**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# THE REMAKING OF ROMANIA

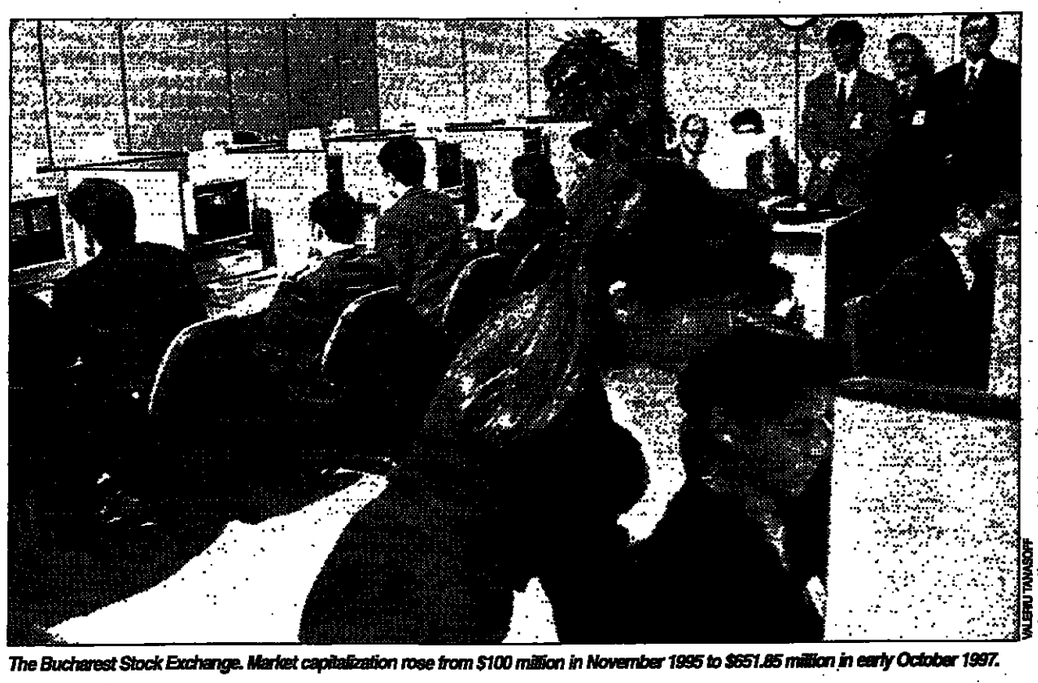
## FLEDGLING CAPITAL MARKETS

RASDAQ, the Romanian over-the-counter market, was founded in October 1996. Four stocks were listed initially, and trading increased to over 3,600 by the end of September 1997. Market capitalization increased from $303.7 million in November 1996 to $2.055 billion in September 1997, according to figures released by Bucharest Investment Group Brokerage.

Trading is concentrated in the top 20 stocks, which account for 55 percent of market capitalization and for more than 80 percent of daily turnover. The most actively traded stocks on RASDAQ have been cement stocks, followed by chemicals, oil and gas, and steel.

The Bucharest Stock Exchange reopened in November 1995 after being closed for almost 50 years. The number of companies listed has grown steadily, from 12 to the current 63. There are two levels of listing on the BSE: Trading is dominated by the 11 companies listed in the First Tier, reserved for companies with a good financial track record over the last three years and a steady cash flow.

The Second Tier is made up of "entry-level" companies. Market capitalization has increased from $100 million in November 1995 to $651.85 million in early October 1997. Chemicals and pharmaceuticals are the most actively traded sectors on the BSE. **A.I.**



VALERIU TANASOFF

*The Bucharest Stock Exchange. Market capitalization rose from $100 million in November 1995 to $651.85 million in early October 1997.*

## OVER-THE-COUNTER PRIVATIZATION

*Open auctions on an OTC exchange is a CEE first.*

Following a decision to boost the rate of privatization, Romania's main privatization agency, the State Ownership Fund (SOF) will use local capital markets — the Bucharest Stock Exchange and RASDAQ, the over-the-counter market — as vehicles to sell its majority or controlling stakes in state-owned companies.

The use of the open auctions via the over-the-counter market for privatization is a first for reforming economies in Central and Eastern Europe. The method is meant to increase the transparency of the sell-offs and to add more flexibility to the whole process.

RASDAQ was set up in October 1996 to trade shares of around 5,000 companies that had been distributed to the public in the mass privatization program.

Partial privatization via RASDAQ will use a "special open-auction" methodology with computer-based trading, under which the SOF will sell its minority stakes (up to around 47 percent) in a package of five state companies.

The program got off to a successful start on Friday, when all five companies in the first auction were sold.

The SOF has scheduled the next auction for Nov. 20, when four companies will be put up for sale.

The SOF has developed criteria to select companies whose trading history indicates sufficient liquidity of shares and whose financial and legal status is clear. The auctions will be held after regular daily trading hours in three rounds of bidding of 30, 20 and 15 minutes.

The SOF also selects the securities companies that act as auctioneers out of the 125 brokerage firms currently operating on the local capital markets. The SOF licensed 71 brokerages to participate in the Oct. 24 auction. The selling brokers have one to two weeks to advertise in local and international media, especially via Internet, for the five-company package they sell, thus substantially increasing SOF's information network.

The targets are foreign portfolio investors, whose access to the capital markets has been eased by new legislative changes on repatriation of portfolio investments.

Computer software with a bid-updated screen available to licensed brokerage companies allows bidders to enter bid quantities and bid prices for the shares offered. The system also ranks the bids.

"If the operation works, it would be the most spectacular privatization technique in the world," says Septimiu Stoica, president of RASDAQ.

SOF is planning to sell shares in 1,000 state-run companies via RASDAQ by the end of 1998.

The privatization agency will also sell stakes in important state-run companies through public offers on the Bucharest Stock Exchange.

The first company to be privatized on the bourse will be Romania's largest producer of industrial switching equipment, Electroaparataj.

The SOF has pledged to sell 29 companies on the Bucharest Stock Exchange by the end of the year. **A.I.**

## GOING OUT OF BUSINESS: 5,500 COMPANIES HAVE GOT TO GO

*The Romanian privatization agency plans to have sold off 2,500 companies by the end of the year.*

Romania's new centrist government has identified the acceleration of privatization and reforms as priorities for the following months. Since Prime Minister Victor Ciorbea took office almost one year ago, his cabinet's privatization campaign has seen some clear results.

The rate of privatization has increased, with 1,089 state-run companies sold from January to mid-September, 45 percent more than during the same period in 1996.

**Hiving off manufacturers**

The "greatest success story of the year," says Sorin Dimitriu, the president of the State Ownership Fund (Romania's privatization body), was the sale last month of a 51 percent stake in Romania's largest cement maker, Romcim, to Lafarge, a French maker of construction materials, for $200 million. Lafarge will also invest another $200 million in the company over the next four years.

The SOF is currently negotiating with foreign companies to sell its majority stake in stainless steel maker Otelinox and one of Romania's largest refineries, Petromidia.

After announcing and proceeding with the liquidation of 17 loss-making state-run companies, the government is putting pressure on the oversized *regii autonome*, state-run companies with monopolies in certain industrial sectors, to proceed with restructuring, corporatization and privatization plans.

At the beginning of the year, some 6,300 companies were earmarked for total or partial privatization. The short-term goal is to have privatized 2,500 companies by the end of the year and then another 3,000 in 1998.

Currently, the SOF holds majority stakes in about 5,000 companies.

Romania's privatization process started in 1990. The capital of some 8,700 state-owned companies was split initially between the SOF, which took a 70 percent share in each company, and five Private Ownership Funds (POFs), which split the remaining 30 percent.

The previous government managed to privatize about 3,000 companies, with sell-offs carried out in three ways: management and employee buy-outs, direct sales to strategic investors by the SOF and the Mass Privatization Program, under which more than 16 million citizens exchanged vouchers for shares.

**New, diverse methods**

The SOF's new leadership decided to diversify privatization methods in order to facilitate access for foreign investors.

Securities firms and investment banks will be used as intermediaries in direct negotiations with investors selected by the fund. Some 17 foreign investment banks and securities firms with experience in privatization have already made offers to the SOF, following an ad placed in the international press by the privatization agency in early June.

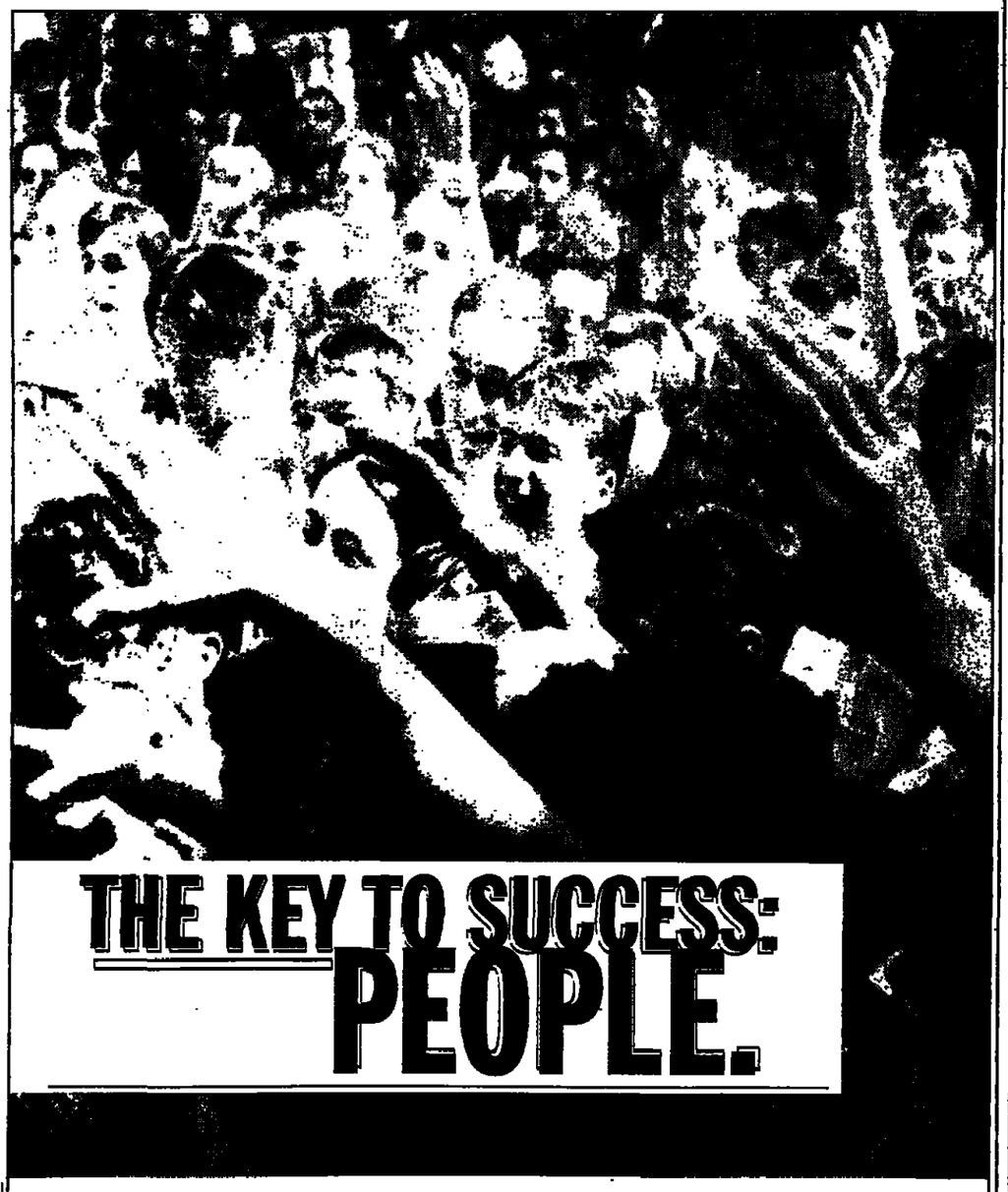
According to Bogdan Baltazar, vice president of the SOF, around 88 big companies will benefit from this privatization technique. Among them are the successful steelmaker, Sidex Galati; Romania's sole tractor-maker, Tractorul Brasov; car-maker Automobile Dacia Pitesti; and the country's biggest heavy-machines producer, Faur Bucuresti.

**Auctions and public offers**

The SOF is also planning to sell companies on local and international capital markets. About 20 Romanian state-run companies are to be sold on the London stock exchange, while another 15 have been selected for the Greek Thessaloniki stock exchange. Local markets — the Bucharest Stock Exchange and the RASDAQ over-the-counter market — will be used to sell shares in companies already traded on the stock markets through open auctions or public offers.

In parallel, the government will proceed with the bank privatization program, a main reform goal and a move that it hopes will win support from the International Monetary Fund and the World Bank. Earlier this year, Romania passed a bill to privatize six state-owned banks. The Romanian Development Bank is expected to be privatized in the first half of 1998.

In order to facilitate the negotiating process with foreign investors, the SOF will create six regional centers to carry out sell-offs for state companies located in each region. **Anca Ionita**

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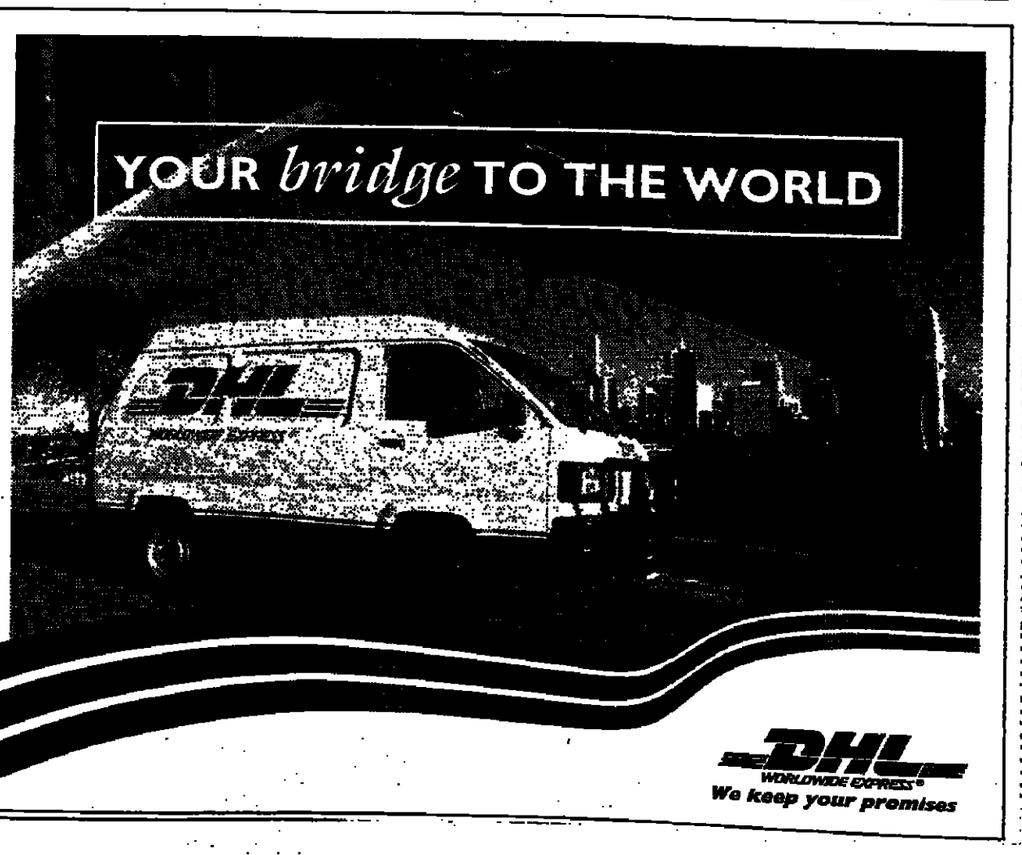



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# THE REMAKING OF ROMANIA

## ARE ROMANIANS SPENDING MORE?

*The market for consumer goods is very price-sensitive.*

The evidence is conflicting, but it seems to indicate that the Romanians' consumption of consumer goods is rising. There is, however, a paucity of credible explanations as to where the money is coming from.

A World Bank study found that sales in Romania's retail sector grew nearly six-fold from 1991 to 1996.

The government's own statistics do not jibe with these findings. They report a rise of 6.3 percent in private-sector consumption over the last four months, but indicate that the figure is 48 percent below the last year of the pre-revolution era, 1989.

**The kiwi indicator**

Anecdotal evidence of an increase in consumer purchases includes the ever-greater number of cars seen in downtown Bucharest and the country's major highways, rising numbers of fast-food outlets going up in the capital and high sales figures for kiwis.

The kiwi was unknown before the early 1990s in Romania and is still a rather expensive fruit in the country.

"Sixty tons of kiwis are bought every day in Bucharest's central market," reports Bogdan Teodorescu, secretary of state in Romania's Department of Public Information. "We now have quite a few tycoons in Romania, but you can't tell me that they alone are buying up the fruit."

"Disappearing reserves" is one explanation often trotted out to explain this conspicuous consumption. According to the explanation, the consumption is being financed by the depletion of reserves accumulated over the last few decades, during the "golden era" of the Ceausescu regime.

The problem with this line of reasoning is that the era was anything but golden.

It left Romania with one of the lowest standards of living in Europe and little opportunity to accumulate savings.

Rather than declining, the amount of money being saved by Romanians has been rising.

Total household savings staged a sharp 65 percent rise over the last few months, reports the National Bank of Romania.

Another explanation is that Romania's "gray" economy is larger and more productive than generally estimated, and that is pretty large: about one-half to two-thirds of the size of the country's "official" economy.

**Going local**

Western consumer-products companies now active in Romania are eager to exploit this promising market.

"The key to being successful in this market is to realize its immense potential, to invest early and to tailor your products to the realities of the market, including very low consumer purchasing power and high price sensitivity," says Michel Heitzmann, general manager, Romania, for R.J. Reynolds Tobacco.

"Lower-priced brands account for the vast bulk of the Romanian market, and our ability to offer competitively priced brands has been a key feature of our success," he adds.

This ability is derived from RJR's decision to become the first Western tobacco producer to set up production facilities in Romania. "Although we pay some of the highest wages in Romanian industry, this move has allowed us to lower our operation costs," Mr. Heitzmann says.

It sounds like a simple formula for success: Build a factory in Romania, manufacture affordable products in it and sell them on the local market at competitive prices.

"Obviously, it's not that simple," says Mr. Heitzmann. "In our case, being successful has entailed setting up a proprietary distribution network — no easy matter. It has also involved accepting a large amount of risk, which has sometimes translated into losses, as when the leu was devalued by 50 percent within a short period of time." T.S.

VALERIU TANASESCU

*Boys try out video games in a Bucharest store. Foreign consumer-products firms are eager to sell to Romania's promising market.*

"THE REMAKING OF ROMANIA"
*was produced in its entirety by the Advertising Department of the International Herald Tribune.*
WRITERS: *Catalin Dimofte and Anca Ionita, both contributors to "In Review Romania," are based in Bucharest. Terry Swartzberg, a business writer based in Munich, reported from Bucharest.*
PROGRAM DIRECTOR: *Bill Mahder.*

## ECONOMIC REFORM BEGINS TO PRODUCE RESULTS

*Continued from page 19*

Bank of Romania. Many of these privatized companies have been purchased by foreign companies.

All told, $1.3 billion has been invested from abroad over the last six months, reports Andrei Dimitriu, president of the Romanian Development Agency. This is equivalent to two-thirds of the previous seven years' total.

In terms of breadth and depth of activity, Daewoo is the leading foreign investor in Romania. According to the company, it has already invested $289 million in the country and has plans to allocate twice that much to its existing activities, which comprise the manufacturing and trading of automobiles, shipbuilding, distribution of consumer electronics and banking. The South Korean giant is also bidding to acquire a majority stake in Petromidia, one of Romania's five largest refineries.

Western technology companies also see Romania as an important new market as well as a potential source of collaborative projects. Lockheed Martin — a company known primarily as a defense contractor but whose core businesses include civil aeronautics, electronics and energy — is pursuing business partnerships in the country through the Lockheed Martin/Romania Partnership Council. The company has signed contracts to provide radar systems for both civilian and military use and to supply training and support for aircraft that Romania has bought from the U.S. government.

Mr. Dimitriu predicts that the country's FDI (foreign direct investment) figure will reach around $4 billion by the end of the year. This inflow of capital is a reflection of international investors' growing confidence in the country, a confidence stemming from the rapid improvements in the country's financial fundamentals and international ratings — and from new laws regulating the conditions of investment.

These laws contain a number of controversial taxes and items. They also do not address all of the international business community's grievances. "Nevertheless, their sum total is to assure the international business community of finding a level — if sometimes rocky — playing field in Romania," says Niels Schnecker, senior partner of Schnecker van Wyk & Pearson, an international law firm and strategic management consultancy.

One important reason behind the international business world's confidence in Romania is the peace prevailing on the country's domestic scene. High school students recently marched through the streets of Bucharest to manifest their displeasure at the beefing up of the requirements for the baccalaureate. Aside from demonstrations of this type, it has been relatively quiet in the country over the last few months. An eight-day strike in mid-June, staged by 6,000 coal miners, came to a peaceable end, with the government agreeing to give the strikers a 23 percent wage hike.

*Prime Minister Victor Ciorbea.*

The quiet is somewhat surprising, considering that the average real wage fell 30.2 percent over a seven month period (January to July 1997). This drop, in turn, is directly attributable to the 6.7 percent slump in industrial production unleashed by Mr. Ciorbea's decision to curtail subsidies to the manufacturing sector.

Large though it has been, this slump could very well be outdone by the government's ongoing closing down of the "dirty sixteen." These are large-sized, loss- and pollution-producing industrial, mining and refining "dinosaurs." The closings will consign some 25,000 persons to unemployment, hitting hard at Braila, Ploiesti and other cities in which the companies are a main source of economic activity.

Why then the relative quiescence?

"In part, because of the decision made by the government to provide many workers facing severance with 'golden handshakes' amounting to between six and 20 months of wages," says George Muciabici, general director of the National Bank of Romania's money market and foreign-exchange operations. "The rate of acceptance has been very high, as the workers have perceived this as a once-in-a-lifetime opportunity to get the capital with which to start up their own businesses," he adds.

Bogdan Teodorescu, a government spokesperson, adds: "It's also because the Romanian public has understood why the government has taken these actions. In fact, the public had been eagerly anticipating such sweeping measures, measures which would put an end to the previous government's policy of gradualism and the creeping catastrophe it caused."

According to Mr. Teodorescu, the government has taken into account the negative effects of austerity on the public. "We've taken great pains to dose the economic pain to the point where it would produce results — and be bearable to the population. We've also found ways to elicit their support for the entire reform process."

This communication with the public is based on a concept new to Romania, historically one of the most closed societies in the world: freedom of information.

The government is busy tearing down the legislative and administrative barriers set up by previous regimes to hide their actions from the country's citizens. The government is also busy printing brochures, newsletters and bulletins informing the country's citizens on everything from the state of the environment to legislation that is being formulated.

"We want to create a prosperous country, and we want to create an open society, one with a democracy of access to information," states Akos Birtalan, the country's minister of tourism. "And we are well aware that the former is implicitly predicated upon the latter." T.S.

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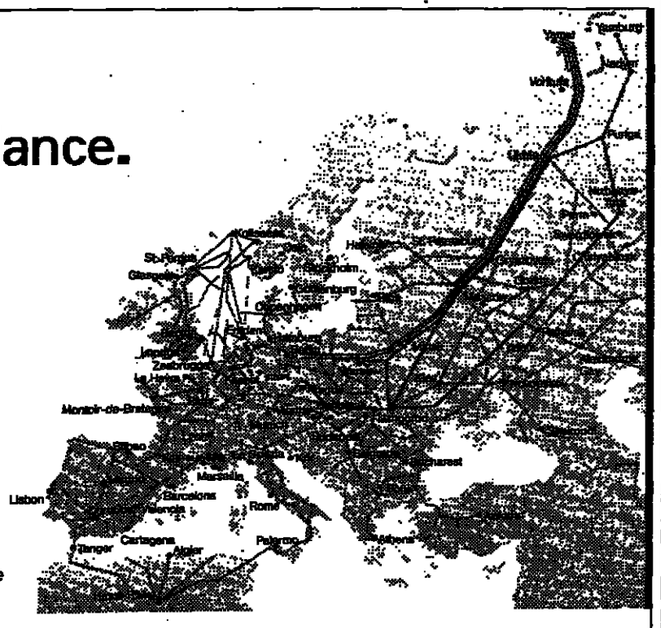

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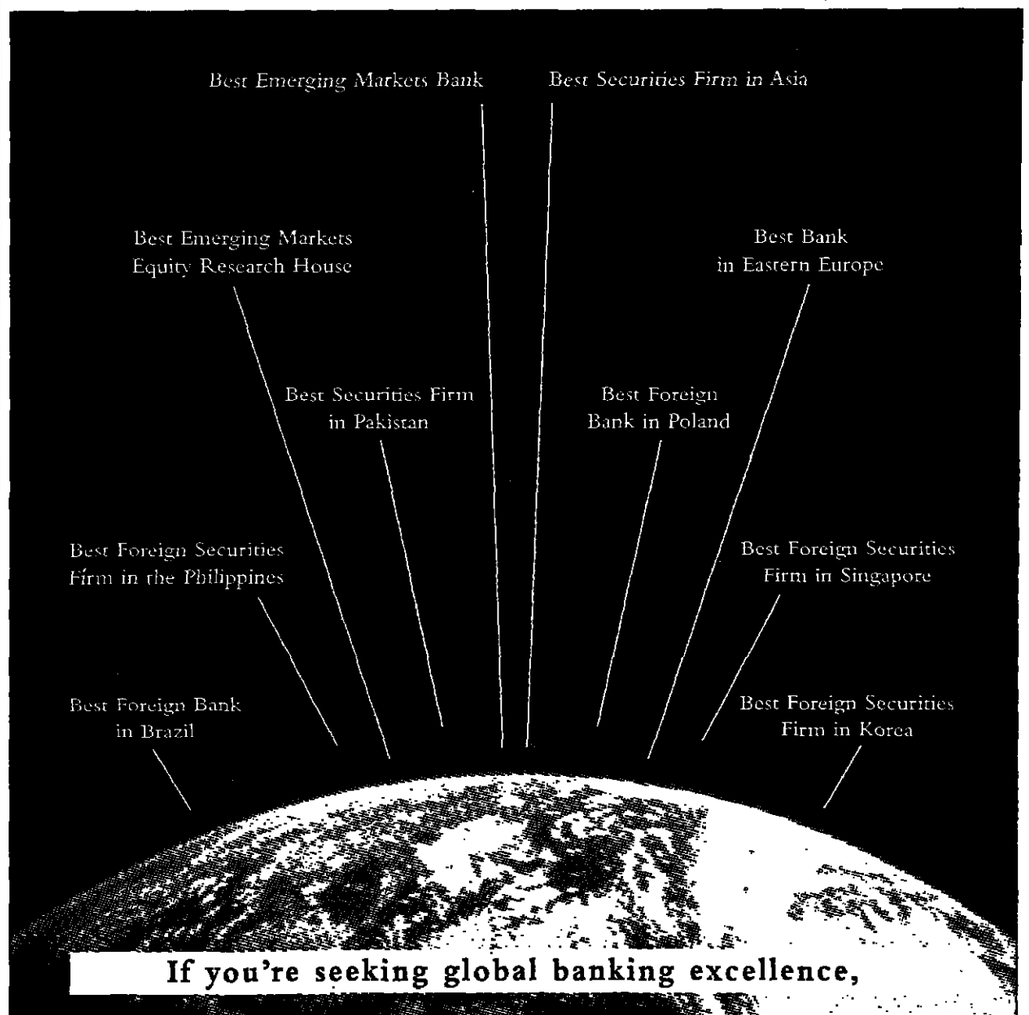


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# THE REMAKING OF ROMANIA

## BUSINESS INFORMATION

As foreign direct investment into Romania has increased since November 1996, local organizations providing information for foreign investors have stepped up their activity, working to increase the flexibility and speed of response to the growing demand coming from outside of the country. Here are a few sources of information:

● **The Romanian Development Agency** is a government body that focuses on attracting foreign direct investment to Romania. The RDA provides information on the economic environment, procedures, investment climate and legal framework in Romania. It collects, examines and distributes information regarding companies with foreign participation. It also identifies local projects that could be of interest to foreign investors, finding local partners that are able to meet specific foreign investor requirements. Most importantly, the RDA negotiates tax facilities with the government for foreign investments bigger than $5 million.

*7 Magheru Boulevard, 70161 Bucharest*
*Tel.: +40 1 615 6686, +40 1 312 3311*
*Fax: +40 1 312 0371, 40 1 613 2415*

● The State Ownership Fund, Roma privatization agency — in collaboration with the RDA — created the **Department of International Relations**, an organization specialized in providing information on the privatization process and business opportunities in Romania. The DIR provides information on state-run companies to be privatized and advice to foreign investors who want to set up a joint venture in Romania. The DIR is moving offices on Nov. 1 and can be contacted at the following numbers until Oct. 31. The new telephone numbers should be available by Oct. 29.

*2, Expozitiei Boulevard, World Trade Plaza Business Center, sector 1, 71234 Bucharest*
*Tel.: +40 1 222 3899; fax: +40 1 223 1492*

● **The Business Information Centre** of the Chamber of Commerce and Industry of Romania provides information on Romanian companies, business opportunities and investment projects. The office can put businesspeople in touch with the CCIR's consultancy service and other CCIR departments.

*4, Expozitiei Boulevard, sector 1, 79502 Bucharest*
*Tel.: +40 1 223 0428; fax: +40 1 222 8807*
*CCIR Web site: http://www.ccir.ro*

A.I

# THE CENTRAL BANK LEADS THE WAY

*Romania remains underbanked, but financial fundamentals are being put in order.*

Previously known largely for a rash of bank founderings and for its low state of development, Romania's banking sector is now the object of strong interest from the international financial community.

The interest is directly linked to the improvements in the financial fundamentals of the country and its banking sector.

**Catch-up time**

Romania is seriously underbanked and underfinanced. With bank offices a rarity in many parts of the country, total lending amounts to 25 percent of Romania's gross domestic product, a figure one-third to one-fifth of the levels in Hungary and Poland. After opening their doors wide to foreign banks, the latter two countries are experiencing veritable booms in electronic banking, credit card use and other advanced forms of payment.

Romania remains very much a cash-oriented society, and this is directly attributable to the relatively low number of banks with Western shareholders in the country.

Seven of Romania's 35 banks have Western shareholders, and a further nine Western banks maintain offices in the country.

**Entry by Western banks**

Not all areas of Romania's financial sector, however, are underdeveloped. Its capital markets, for instance, are growing vigorously and gaining rapidly in sophistication.

Not surprisingly, Western banks — including, notably, ING Barings, the Dutch-owned London merchant bank — have established a very strong foothold in this area.

The Western banks are also carving out a productive niche for themselves in financing power-plant construction, the extension of Bucharest's subway system and other public works projects.

Judging by the number of pending and possible takeover and privatization bids now percolating in the country's financial sector, Romania may well be set to become the next Hungary.

The latest such transaction involves the Netherlands' ABN Amro, which will reportedly acquire a majority stake in Banca Comerciala Ion Tiriac, the troubled institution recently founded by tennis manager Ion Tiriac.

Other banks now being eyed by foreign financial institutions include the Romanian Development Bank and the Post Bank, two of the country's "Big Six" — the six publicly owned financial institutions accounting for the lion's share of the country's commercial and consumer finance.

This flurry of activity is linked to the ongoing improvement in the financial sector's fundamentals and standing.

**A stronger central bank**

The National Bank of Romania, the country's central bank, has parlayed a near 300 percent increase in its holdings of convertible foreign exchange into a doubling in the value of its assets.

The National Bank has more than halved its various lending rates over the last four months.

Both these developments are the product of Romania's new economic and political stability, and the inflow of inward investment it has induced.

The inflow has kept the dollar-leu exchange rate relatively steady since the government allowed it to float freely on March 11.

The increase in central bank assets has impelled moves to further increase the convertibility of the leu.

"By the end of the year, for all intents and purposes, the leu will be completely convertible," says George Mucibabici, general director of the National Bank of Romania's department for monetary and foreign-exchange operations.

The central bank's strengthening has been matched by that of the financial sector it heads.

The amount of foreign-reserve assets held by the country's banking sector increased 45 percent during the period from January to July, powering Romania's commercial banks to a 38 percent rise in total assets. These rises have been welcomed, even ordained, by the National Bank of Romania, which raised the minimum reserve level for commercial banks from 8.5 percent to 10 percent of total loans outstanding.

The raising of the banks' minimum reserves is just one of a series of sweeping measures enacted at the behest of the National Bank.

The minimum capital requirement has been doubled, and the regulations governing the banks' reporting of their current situations have been stiffened.

The country's rate of non-performing commercial loans, currently hovering at 20 percent, has been one of the lowest in the Central and Eastern European region. The rate of international debt is currently just above 20 percent of gross domestic product.

T.S.

VALERIU DAVIDOFF
*An automatic teller machine in the capital.*

Romania Investment Summit

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# AGENTS OF CHANGE SPUR INDUSTRIAL TRANSFORMATION

*Private consulting firms are supplying the managerial, technological and marketing expertise needed by Romanian industrial companies.*

"This government has a lot to do to restructure the Romanian economy, but designating the sectors to form its future core is not one of them," states Calin Popescu-Tariceanu, the country's vice prime minister and minister of industry and trade. "We're devoting our limited resources to systematically improving the country's transport and energy-supply infrastructure, and to assuring our exporters of having adequate financial support, rather than funding a preconceived scheme of business development.

"In Romania, as is the case elsewhere, this is best left to the market itself," he adds.

The latest statistics seem to indicate that the market is doing a good job.

As of late August, unemployment was hovering at 6.8 percent — one of the best figures in Central and Eastern Europe.

Exports had risen 5.3 percent over the previous month. The country's trade deficit was 40 percent lower than in the same month of the previous year.

Last year's export total was $8.1 billion. The year's total for imports was $10.5 billion.

The rise in exports has helped Romania to record modest upswings in gross domestic product and average individual wages.

**Wide product range**

One factor informing the government's decision not to embrace an industrial policy is the sheer diversity of the country's economy, a diversity that makes it hard to discern any predominant orientation for it.

"The Ceausescu government strove to create an economy not dependent upon foreign suppliers in any major business area," explains Niels Schnecker, senior partner of Schnecker van Wyk & Pearson. "The legacy of this self-sufficiency policy is that Romania produces everything from pig iron to sophisticated electronics."

But not very efficiently, in many cases. The quality of the individual products varies widely, as does the level of their technological sophistication. Nor are many of these products well established on international markets.

Nevertheless, Romania has an important competitive advantage: price.

"It's a matter of simple arithmetic," Mr. Popescu-Tariceanu points out. "Monthly wages in Romania are between 57 percent and 72 percent lower than in the Visegrad Five countries. [Czech Republic, Slovakia, Slovenia, Hungary and Poland] And, thanks to the high degree of motivation of our workforce and their quite high level of technical skills, the assuring of quality and the upgrading of products can be accomplished with a relatively small expenditure of time and money.

***The access to international markets and finance that the "change agents" bring comes with a condition: that their client companies undergo restructuring seen as necessary to their survival***

"Given their unbeatably low prices, Romania's products are generally quick sellers on world markets, once the necessary links have been set up," he says.

**Making the deals**

A heterogeneous group of private-sector service providers has taken it upon itself to supply the managerial, technological and marketing expertise needed by the country's companies.

"I think 'change agent' is the term most fitting such work," says Mr. Schnecker, whose company is among the most prominent of this breed. The international law firm and strategic management consultancy set up shop in Romania in 1993.

In 1996, it arranged more than $150 million worth of deals. In one deal, it facilitated the first international loan made to a private company in Romania, and it has provided managerial expertise to this company and several others.

Despite the fact that change agents arrive proffering access to international markets and finance — two things in strong demand in Romania's corporate sector — they are facing a very hard job because of the condition they stipulate: They insist that their client companies undergo the necessary restructuring.

The agents know that such restructuring offers the companies their only chance of long-term survival. Such transformations, which generally entail extensive managerial shake-ups and accompanying losses of perks and power, are by no means always popular with managers.

Another factor further complicates the change agents' job. It's entirely possible for both Romanian companies and their international customers to earn a quick leu without the former changing one aspect of its operation.

A large number of Romanian companies are currently fulfilling lucrative supply contracts by producing goods in existing manufacturing facilities and by drawing down their inventories.

"There's a quite understandable tendency to think in the short term in Romania, and a number of Western companies are willing to aid and abet in this process," Mr. Schnecker points out. "Our job is to preach the doctrine of long-termism, and to ensure that stipulations producing real, lasting restructurings are written into the contracts concluded among our partners."

Mr. Popescu-Tariceanu agrees that these changes are necessary. "We have a 10-year window of opportunity, during which we will be the cheapest of the politically stable countries in Europe," he says. "Our companies have to use the revenues accruing from their cheapest-in-the-market position as their capital for upgrading their lines of products and the facilities manufacturing them."

T.S.

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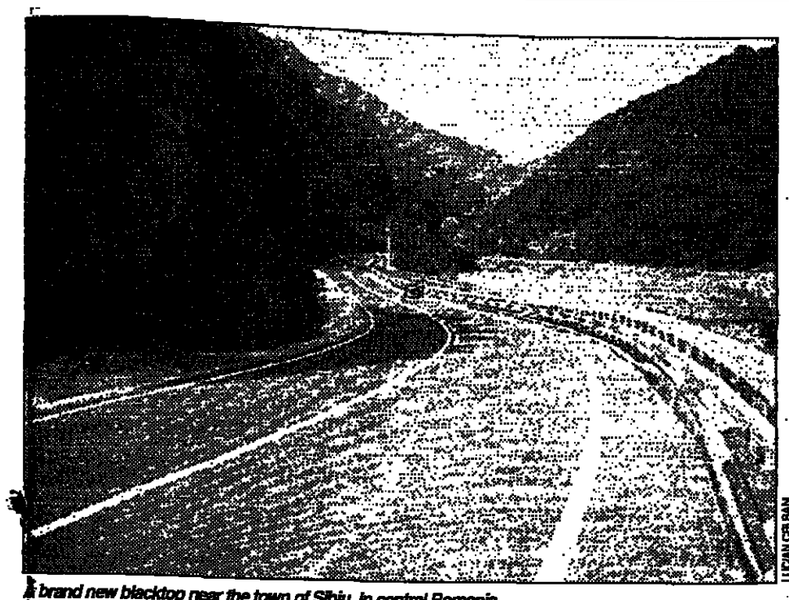
# THE REMAKING OF ROMANIA



LUCIAN CRISAN

*A brand new blacktop near the town of Sibiu, in central Romania.*

## A Shift Into High Gear

*Highways, railroads and airports are being modernized.*

Back in 1990, when Romania finally opened its borders after a 45-year hiatus, the extremely poor condition of the transport infrastructure was one of the many elements of the communist heritage that struck Westerners.

Years later, stories about the country's notoriously pot-holed roads still abound, both in international and Romanian media — although the reality has substantially changed for the better. This is not to say that the transport infrastructure is anywhere close to Western standards, but at least improvements may be seen just about everywhere, and things are quickly heading in the right direction.

The tough-minded minister of transport, Traian Basescu, has definitely had something to do with this positive dynamic. During the last joint conference of European transport ministers, held in Helsinki this summer, Mr. Basescu scored two important victories for Romania: Two European transport corridors (numbered IV and VII) now end at Constantsa, Romania's largest port on the Black Sea.

Corridor IV is attracting the most attention. It crosses the country from west to southeast, on the Arad-Deva-Sibiu-Brasov/Pitesti-Bucharest-Constantsa route.

Corridor VII basically means the Danube and includes the Danube-Black Sea Canal.

**Highways**

The most ambitious plan aims to modernize the country's 4,058 kilometers (2,516 miles) of international roads.

The three-stage project — worth some $110 million to $150 million per annum — started in 1993 and is scheduled for completion by 2006.

The first stage — rehabilitation of 1,053 kilometers of roads (45 percent of them along corridor IV) — is almost completed, at a cost of $390 million. The Romanian government funded $125 million of this stage, with the rest coming from the European Investment Bank ($65 million), the European Bank for Reconstruction and Development ($80 million) and the World Bank ($120 million).

The second stage — rehabilitation of another 1,004 kilometers of international roads — is to be completed by 2001. In addition to the $212 million funding from the government, the above-mentioned financial institutions will provide 70 million ECUs ($78.5 million), $85.9 million and $150 million respectively.

The third stage, to start by 2001 and to be completed by 2006, aims at upgrading the rest of the international roads (2,000 kilometers), as well as construction of over 600 kilometers of highways at a cost estimated at some $2.5 billion.

Other major funding sources for road projects are the European Union — via nonreimbursable grants under the PHARE program — and a Japanese loan of $77 million.

So far, there is not too much interest in building divided-lane expressways — they are simply too expensive for Romania's austerity budget. The country has only one such high-speed route — a 113-kilometer road connecting Bucharest and Pitesti. It is being upgraded at a cost of $120 million, with $53 million lent by the EBRD.

**Rail**

The second priority is the rail network. Romania has 14,220 kilometers of railroads — of which 6,127 kilometers are electrified.

Again, the focus is on corridor IV, with a length of 865 kilometers. Big money is involved in the two development stages of this electrified railway: some $500 million for rehabilitation to be completed by the year 2000, and $800 million for upgrades that will allow transit speeds of up to 200 km/h.

Funding for the first stage — which also includes modernization of locomotives and depots, acquisition of new passenger and freight carriages, etc. — seems secured. The government will provide some $163 million, the World Bank $120 million and the EBRD $97 million. The EU has also committed 58 million ECUs in PHARE funds.

**Airports**

Out of a total of 17 airports, only four — Bucharest's Otopeni and Baneasa, Constantsa and Timisoara — are being kept under direct government administration; the rest will be under the administration of local authorities, in accordance with the government policy of decentralization.

Money — $60 million worth of loans and even larger amounts denominated in lei, the domestic currency — is being channeled primarily toward the country's largest airport, Bucharest Otopeni, the government's third priority in the transportation sector.

Early next year, a second runway and a new passenger terminal and station will begin operations.

**Catalin Dimofte**

## An Upwardly Mobile Communications Network

*A major upgrade of Romania's telecommunications sector is under way.*

Should current trends be maintained, the world will reach telecom parity in 2010. At that date, the number of mobile telephones will equal, for the first time, that of stationary ones.

Romania may well be among the first nations to achieve that parity.

This is partially because it had one of the lowest rates of standard telephone ownership in Europe for many years — and because it currently has what must be Europe's fastest-growing number of mobile-handset owners.

**The benefits of inefficiency**

The low rate of standard telephone ownership was the product of the country's relative poverty and the inefficiency of Romtelecom, the nation's telecom operator. A direct result of this inefficiency has been the rapid growth of mobile handsets, fueled by the launching of two mobile telecom networks in the spring.

MobiFon, owned by a consortium made up of Canada's Telesystem International Wireless and the United States' Air Touch Communication, started up the Connex GSM service on April 15.

Nearly two months later, Dialog was commissioned. This service is supplied by Mobil Rom, in which France Telecom has a majority stake.

Connex GSM has been particularly active in introducing a wide range of value-added services to Romania, including mailbox, call-waiting and multilingual operations.

The availability of these GSM-based services has had a salutary effect on the charges levied and services provided by Telefonica Romania, the NMT-based mobile-telecom service previously set up by a Spanish-Romanian joint venture.

**A mobile phone mini-boom**

The new services' efficiency and affordability have sparked a mini-boom in Romania's mobile-telecoms sector.

According to forecasts, the two services will have a total base of 50,000 to 80,000 subscribers by the end of the year.

In an article published in "In Review Romania," an English-language business monthly, MobiFon's Chief Executive Officer Al Tolstoy predicted that there will be 1.4 million to 1.5 million subscribers by 2007. This boom has encouraged the country's Ministry of Communications to launch a third GSM network. It will be operated by Romtelecom and the winner of an auction.

**Modernization at last**

The only thing standing in the way of Romania's telecom parity is Romtelecom itself, now finally being modernized into a force to be reckoned with.

After years of upgrading, Romtelecom's grid of long lines — the backbone of any telephone network — features state-of-the-art optical-fiber links.

According to the country's Ministry of Communications, the telecom's local switching systems will soon be at Western levels.

This upgrading has been carried out in preparation for two related events.

Currently a state-run agency, Romtelecom is about to become a publicly owned corporation. Some 30 percent of the new corporation's equity will then be sold to the investing public within the next 12 months. The new corporation will probably have to contend with a number of competitors. One stipulation of the agreement of association between Romania and the European Union was that the country would open up its telecommunications market by Jan. 1, 1998, the day of the EU's own "Big Bang" — the deregulation of its telecommunications market.

A five-year period of transition for Romania's telecoms markets has now apparently been granted by the European Union.

Romania's failure to harmonize its laws with those of the European Union was one important reason why the country received such a dreadful ranking in the EU's recent "Central and Eastern Europe membership sweepstakes."

With a successful bid for "second-wave accession" a near certainty, the country has every reason to carry out its own "small bang" in the very near future.

**T.S.**

VALERIU TAPAS/UFF

*Romania's low rate of standard telephone ownership means that the use of mobile phones is growing rapidly, helped along by two new mobile telecom networks.*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# THE REMAKING OF ROMANIA

## GOOD NEWS IN ENERGY EFFICIENCY

Good news on the Romanian environmental scene is a rarity. The country has a wide range of severe, pollution-caused problems, most of them legacies of the communist era, although some are the products of an overweening love for motor vehicles.

There is, however, a very encouraging trend emerging in energy efficiency. According to figures released by the country's National Commission for Statistics, the amount of energy it takes to produce one unit of gross domestic product declined 46 percent between 1989 and 1995.

The decline is attributable to the closing down or modernization of obsolete production and energy-generating facilities and the building of new ones.

Many of the new and modernized facilities are fueled with natural gas. This ongoing conversion will cause Romania's demand for natural gas to rise 23 percent over the next 13 years, forecasts Wirom Gas SRL.

Wirom, in business since 1994, has already become a major source of natural gas, supplying 65 percent of Romania's imports. The company is owned jointly by Romgaz, the country's natural gas authority, and Wintershall Erdgas Handelshaus Zug AG, the Switzerland-based trading arm of the German energy supplier.

Wirom will soon be supplying natural gas to a vastly greater number of corporate customers. In a move at the heart of the country's sweeping deregulation of its power-supply market, the Romanian Electricity Authority will be reconstituted as a public-sector-owned company. Its constituent parts will be spun off into independent companies and put up for privatization. Some 80 new private enterprises are expected to emerge from the process. T.S.

## RESHAPING FARMING

*Will reforms allow Romania to retake its place as one of the world's major grain exporters?*

Between the two world wars, Romania was one of the world's largest grain exporters (primarily wheat, barley and corn) — even overtaking the United States for a couple of years.

Most experts agree that the country's southern plains have some of the most fertile soils in the world.

There was no other sector where the failure of the Romanian communist regime was more obvious than agriculture. Forced industrialization generated a huge migration of youngsters toward overcrowded cities, leaving rural areas depleted of human resources.

### Post-1989 reforms

Since the fall of communism, successive governments have seen agriculture as a pillar of the country's future prosperity. Yet agriculture remains one of the most troubled industries in Romania today.

Reforms undertaken by 1991 provided for the dismantling of the collective-farm system. Some 83 percent of arable land has since been returned to its former owners.

Cattle, pig and poultry farms, as well as some large grain farms (which usually have the best arable lands) remained state-owned.

Tractors, harvesters and other machinery remained in the hands of several hundreds of state-owned companies, the so-called AGROMECs (most of them virtually bankrupt today), which were supposed to sell mechanical services to private farmers.

The reforms did not lead to an increase in agricultural output, however. Production variations of 100 percent or even more from one year to another are not at all uncommon.

Very much concerned with ensuring the food security of the population, the former government liberalized input prices, while keeping tight control over output prices.

In order to compensate for the imbalance, a rather complicated system of state subsidies was put in place — including direct subsidies and production bonuses for farmers, subsidized interest loans with money provided by the central bank's printing house and high custom duties for imports.

This system led to rampant inflation, huge losses by the state agriculture bank, which was forced to grant the loans, and flourishing smuggling and tax evasion.

WILLEM TINNEBROFF

*Harvest time: Successive governments have seen agriculture as a potential pillar of future Romanian prosperity.*

### World Bank assistance

After it took over at the end of 1996, the new government asked the World Bank to design a new agricultural policy. The result was a plan for a set of deep structural reforms of Romanian agriculture, financed by the World Bank under Agriculture Sector Adjustment Loans (ASAL) worth $350 million, the bulk of the World Bank's $550 million commitment to Romania's new reform program.

The first set of reforms removed all price controls. Preliminary studies showed that freeing prices would only have a 4-5 percent impact on consumer prices, while increasing farmers' income by as much as 50 percent in some cases.

Most of the subsidies have been canceled. A voucher scheme — covering some 10 percent of costs — has been maintained, however, as have some small budgeted subsidies (about 15-20 percent of the previous year's amount) granted both to farmers and to banks making agriculture loans. A credit reform measure would provide incentives to banks and food-processing companies for agricultural lending.

Trade barriers have also been dramatically reduced. The average level of import custom duties has decreased from 67 percent to 27 percent. Several dozen money-losing state-owned animal farms and mechanical-services providers have been closed down or privatized.

Liberalizing the grain market — including the dismantling and/or rapid privatization of large state agencies in charge of purchasing, storing and marketing cereals — is another important point on the ASAL agenda.

An essential step toward the structural reform of Romanian agriculture is a law that would allow the formation of larger farms. The current average size of Romanian farms stands at a ridiculously low 3 hectares (7.4 acres). Without larger farms, Romanian farmers will not be able to approach the per-capita productivity levels achieved by Western farmers, no matter how large the financial support. New or modified laws and regulations would allow restitution of up to 50 hectares of land to one owner — as against the previous 10 hectare threshold — by dismantling state-owned cereal farms.

A highly controversial measure was the reduction of the country's strategic grain reserves, from more than 1 million tons to 350,000 tons. The previous reserve was about equal to one year's worth of consumption, and thus in line with the recommendations of the United Nations Food and Agriculture Organization.

An emergency financial fund was set up in parallel with the reduction, on the principle that storing money is far cheaper than storing cereals. Farid Dhanji, the deputy chief of World Bank's Mission in Romania puts it bluntly: "In the last century there has never — never — been a famine in a democratic country." C.D.

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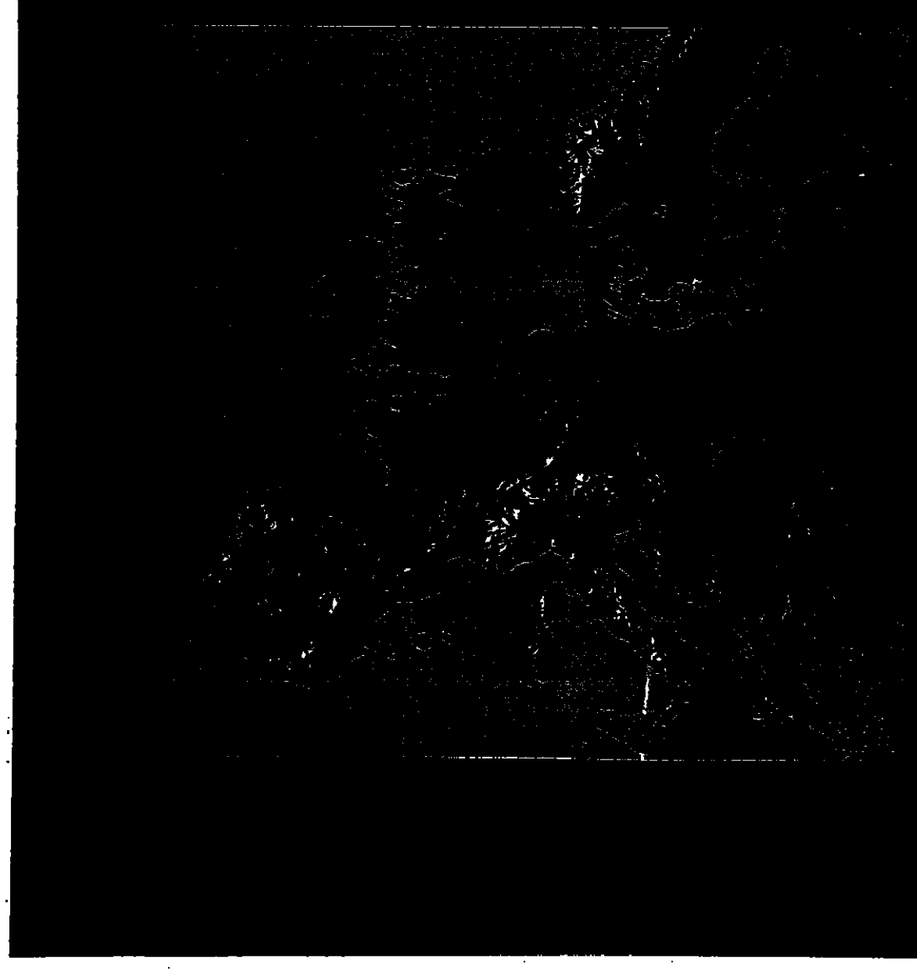

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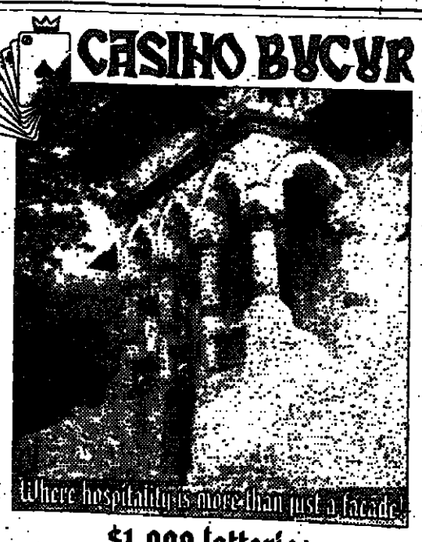

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# THE REMAKING OF ROMANIA

## BLACK SEA PORT COULD BE HUB FOR CASPIAN OIL TRAFFIC

*Constantsa offers advantages as a link in international pipeline routes.*

During the early 1990s, the world became aware of the huge scale of oil reserves in Central Asia, particularly the Caspian Sea region. Estimates show that these reserves may well be between 20 and 100 billion barrels, which would make the region a main rival of the Middle East oil producers.

Oil multinationals — led by Chevron and Amoco — have promptly entered the game, with the size of oil-related foreign investments in the area amounting to $18 billion so far.

**Getting to markets**

Exploration and extraction are one thing; transport and processing quite another.

Surrounding countries — Russia, Iran and Turkey — have a tremendous interest in using their territories and facilities to carry the crude to European markets. And so does Romania.

There are at least six optional routes. The least expensive (pumping the crude through pipes across Iran to the Persian Gulf, along the north of the Black Sea to the existing Russian pipelines; or across Turkey to Mediterranean harbors) are also the least convenient ones for various reasons. Such projects would either give Russia or Iran total control over the oil, or would be crossing unsafe areas that are threatened by Kurdish rebels.

Another possible Black Sea route would use already-operational pipelines to the Russian port of Novorossiysk or to the Georgian ports of Poti, Supsa and Batumi. Tankers would then go through the Bosporus and Dardanelles straits. Turkey and Greece strongly oppose this solution, because of concerns about the disastrous environmental impact likely to occur in the straits in the case of an accident.

A variant that would avoid the straits and that has full Russian support is to build an oil terminal in the Bulgarian port of Burgas. This solution would require a pipeline across the Balkans to the Adriatic Sea, and it is likely to be the most expensive option.

President Emil Constantinescu is pushing hard for a solution that would have the country's main Black Sea port, Constantsa, as a hub. The option is also supported by Georgia.

The option has a serious drawback — higher costs resulting from two transfers. The oil would be loaded on tankers in Georgian or Russian harbors and then unloaded at Constantsa. It also has conspicuous advantages.

**A unique position**

The 3,626-hectare (8,956-acre) port of Constantsa is by far the largest one in the region. It has the capacity to handle 83.5 million tons per year and can accommodate vessels of up to 165,000 DWT (dead weight tons).

Extensive enlargement and upgrading is being carried out. Traffic capacity is to be increased to 233.5 million tons per year, which would make Constantsa Europe's second largest harbor after Rotterdam. The port will be able to accommodate vessels of up to 250,000 DWT.

Foreign sources of funding for the work include the European Union, the European Investment Bank and the Japanese government.

Constantsa is in a unique position, second to no other city in the region. A couple of satellite harbors are located in the neighborhood, and the Danube-Black Sea Canal ends in the harbor. Romania's second-largest international airport is located within a half-hour drive of downtown Constantsa. Both roads and railways are being upgraded, and construction of a highway to Bucharest is under way.

Romania's largest shipyard is located in Constantsa. The country's most modern shipyard, a joint venture with Daewoo of South Korea, is located several miles south, in Mangalia.

Romania's largest free zone, with an area of 177 hectares, is located in the ports boundaries.

**140-year oil tradition**

A few miles north of Constantsa lies Romania's best oil refinery, Petromidia. A pipeline system connects the port with other mainland refineries. Romania has an outstanding 140-year tradition in the oil industry, with a highly skilled and cheap workforce. It also has oil-processing capacity of 36 million tons per year.

Processing oil from Central Asia in Romanian refineries and shipping the products either upstream on the Danube or through existing pipelines to Central European markets would substantially reduce the cost of the whole project.

Last but not least, the country has emerged during the last few years as a genuine island of political stability and security within the region.

It is too early to tell whether Central Asian oil will flow through Romania, but it is clear that the country has plenty of ammunition in the battle for a share of the market.

C.D.

VALERIU TARASOFF

*The port of Constantsa is one of the largest in the region.*

### THE LAND AT THE END OF THE LONG RIVER

Only 15,000 people, most of them subsistence fishers and farmers pursuing a millennium-old way of living, dwell in the 2,681 square kilometers (1,105 square miles) of the Danube delta, a region that has one of the lowest population densities on the Continent.

The inhabitants share the region — Europe's largest wetlands, 80 percent of which are located within Romania — with dozens of kinds of mammals, 160 species of fish, 361 species of birds and 1,150 species of plants.

There are no paved roads in the delta. In fact, there are very few roads at all; the area is 80 percent marsh and open water. Aside from a few *pontons* (houseboats) carrying tourists, there is no commercial traffic on these waters. Barges plying their way up and down the Danube take the "great shortcut" — the Black Sea-Danube Canal.

Five millennia ago, this region did not exist. Silt, presumably the byproduct of farming of the land, washed down the Danube to create the region. It is still growing today, at a rate of 43.7 square meters (470 square feet) a year.

The delta's pontons carry "adventurers" on tours organized by operators based in the United States and Western Europe. The truly adventurous — and there are a surprising number of them — go on do-it-yourself expeditions. Their jumping-off point is the small city of Tulcea (100,000 inhabitants), very much worth a look in its own right.

Located 277 kilometers north of Bucharest, Tulcea dates its origins back three millennia, to a camp set up by the Dacians, whose forced Romanization by the conquering legions laid the foundation for the Romanian language and ethnic identity.

Built like Rome on seven hills, Tulcea looks Turkish, not surprisingly in view of the fact that the Ottoman Empire held sway here for five centuries.

After leaving Tulcea, travelers head a few kilometers east, to the beginning of the delta proper, where they recruit local inhabitants to take them through the maze of reed-filled marshes, meadows, fruit orchards and limpid lakes.

The lack of hotels in the area has led local farmers to develop a cottage industry: putting up travelers.

T.S.

## TOURISM'S AGE OF DISCOVERY

*Adventurers and nature-lovers form the vanguard of the industry.*

For tourists, Romania is probably the most exciting country in Europe at the moment. Part of the excitement stems from never knowing what awaits you — good and bad.

"In my travels through Romania, I've made a number of wonderful discoveries: mountain-top resorts kept in perfect condition since the days of the Austro-Hungarian empire and charming little towns looking out onto the still waters of the Danube delta," says Sabine Allamoda, who is auditing Romania's textile industry for the European Union. "I've also been in entire regions that didn't have a single decent restaurant and in Black Sea towns crumbling from neglect," she adds. "In any case, when traveling in Romania, you have to put your trust in serendipity, as there's a tremendous shortage of reliable information on local conditions."

Her perception is borne out by a visit to bookstores in Bucharest. None of them have any modern travel guides on Romania.

Nor are brochures available from the country's Ministry of Tourism. "Wait until December," says Akos Birtalan, the country's minister of tourism. "By then, we should have a complete range of information materials to offer tourists," he says.

Part of the information will be listings of hotels, complete with what the minister calls the country's first credible ratings. "Our new law on tourism establishes a squadron of officials to rate the hotels and to make sure that they adhere to high standards of cleanliness and courtesy. The officials will re-inspect the hotels at regular intervals," Mr. Birtalan notes. "We've built into the system a powerful weapon for assuring compliance: The names of hotels not attaining these standards will be published in local and national newspapers."

Should such a list be published today, it would be very long. There are, however, exceptions in such towns as Mangalia, a charming, well-run Black Sea resort.

"Many of the establishments in this resort belong to the 3 percent of our tourist industry that has undergone 'true' privatization, in which restructurings have been undertaken and fresh outside capital has been acquired," Mr. Birtalan says. "When the privatization process has been completed, tourists from the West will come, and in numbers far eclipsing those of the late 1970s."

In those days, Romania recorded 2 million Western tourist arrivals a year, most of them looking for an unbeatably cheap way to sojourn in the sun. Though still lacking the pre-revolution era's totals, the new and better era in Romanian tourism has already begun, thanks to the Internet.

There are dozens of Web sites detailing the natural and cultural wonders of Romania. These include those of the Romania National Tourist Office (http://www.rezq.com.ont) and Romtour (http://www.romtour.com).

The sites report on the great medieval cities of Sighisoara and Brasov. Brasov is a good base for exploring the Peles castle, the summer seat of the Hohenzollern-Sigmaringen dynasty, and the fortress of Bran, which housed the historical figure upon which Dracula is based. The sites chart the paths taking hikers, mountain bikers and motorized visitors to and through the picturesque villages of the Maramures valley (located deep in the heart of Transylvania) and their wondrous wooden churches.

Another focus of the sites is the "painted monasteries" of the Suceava region in northeastern Romania. The paintings are actually frescos, applied on the monasteries' exterior walls and depicting scenes from the Bible and Romanian history.

Other Web sites are maintained by operators of tours catering to adventurers and nature-lovers. These groups form the vanguards of the tourists pioneering today's Romania, along with a not-inconsiderable number of social workers and engineers, who are in the country to attend to its neglected orphans and roads.

T.S.

## ROMANIA INVESTMENT SUMMIT

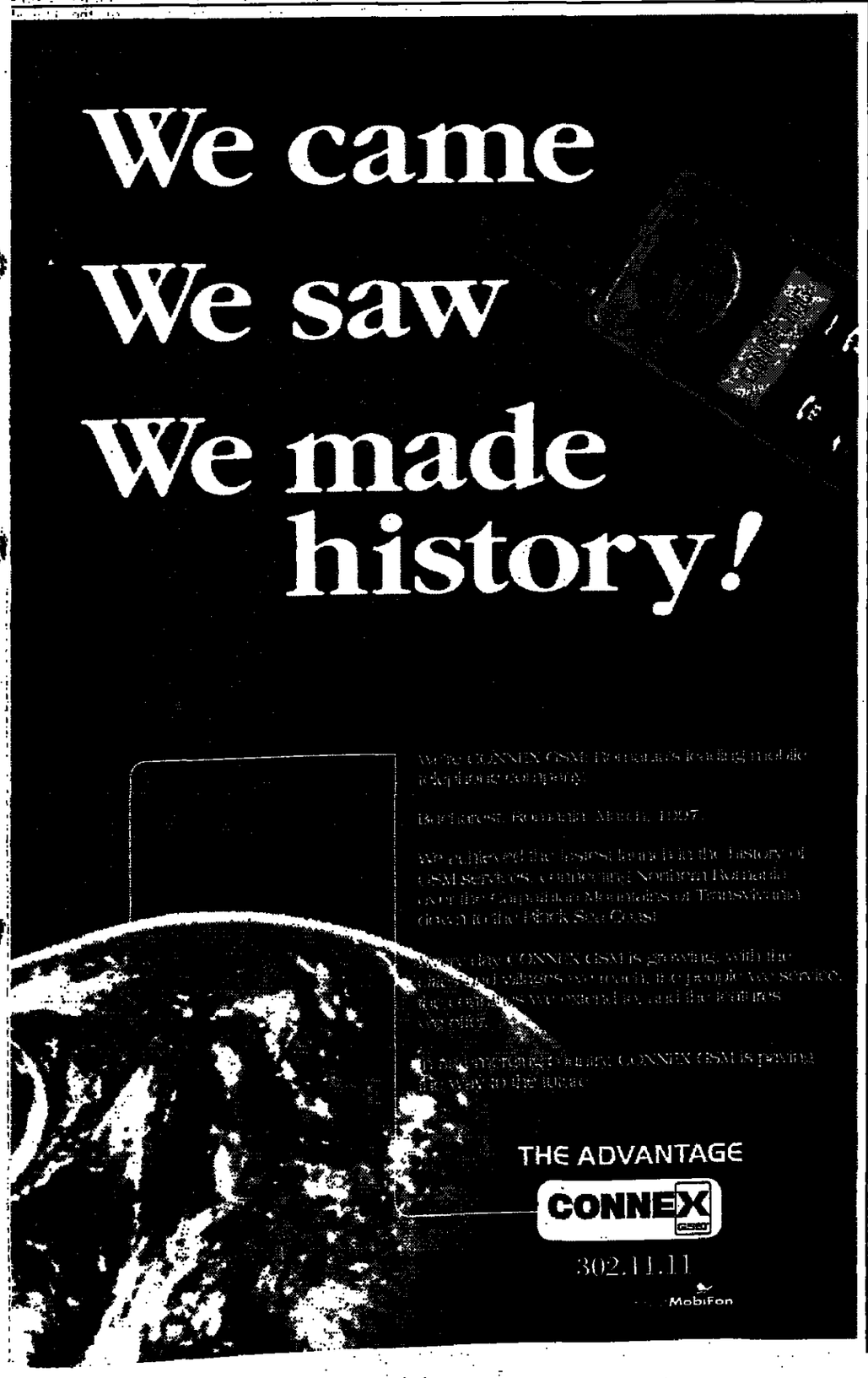
President Emil Constantinescu of Romania will give the opening keynote address at an investment summit Wednesday in Bucharest.

The two-day summit will address Romania's economic climate and reform agenda, foreign investment in the country and the challenges Romania faces as it seeks membership in the North Atlantic Treaty Organization, the European Union and the Organization for Economic Cooperation and Development.

Prime Minister Victor Ciorbea will give the second day's keynote speech.

Other speakers include representatives of the Romanian government and of the international and domestic financial and business community.

The Romania Investment Summit has been convened by the International Herald Tribune. It will be held at the Athenee Palace Bucharest Hilton.



SWP

SCHNECKER VAN WYK & PEARSON

1st

Foreign corporate loan in Romania
without government guarantees
Launch of an international corporate
bond issue for a Romanian company
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USA Washington | Germany Frankfurt | UK London | South Africa Sandton | Spain Barcelona

ROMANIA

BUCHAREST - Blvd Aviatorilor 86 / Tel: +40-1-2305988
CONSTANTZA - Blvd "1Decembrie 1918" 2 / Tel: +40-41-682329
schnecker@sianets.ro www.sianets.ro/schnecker

LONGINES
L'ELEGANCE DU TEMPS DEPUIS 1832



Herald International Tribune
# SPORTS

LONGINES
L'ELEGANCE DU TEMPS DEPUIS 1832



## WORLD ROUNDUP

### Pakistan Out for 97, South Africa Wins

**CRICKET** Shaun Pollock, a fast bowler, took five wickets Monday and Pat Symcox, a spinner, took three as South Africa bowled Pakistan out for 92 runs in Faisalabad to win by 53 runs and take the three-match test series 1-0.

Pakistan needed only 146 but was bowled out 37.3 overs with more than a day remaining.

The rout began at the start of the fourth day when Pollock took four wickets in seven balls. He finished with five wickets for 37 runs from 11 hostile overs.

Symcox, who made scores of 81 and 55 with the bat, took three wickets for just eight runs in 9.3 overs. Only Moin Khan, Pakistan's wicketkeeper, resisted; he was last man out with a top score of 32. *(Reuters)*

AP
South Africa's Shaun Pollock following through as he bowled.

### Glasson Wins in Vegas

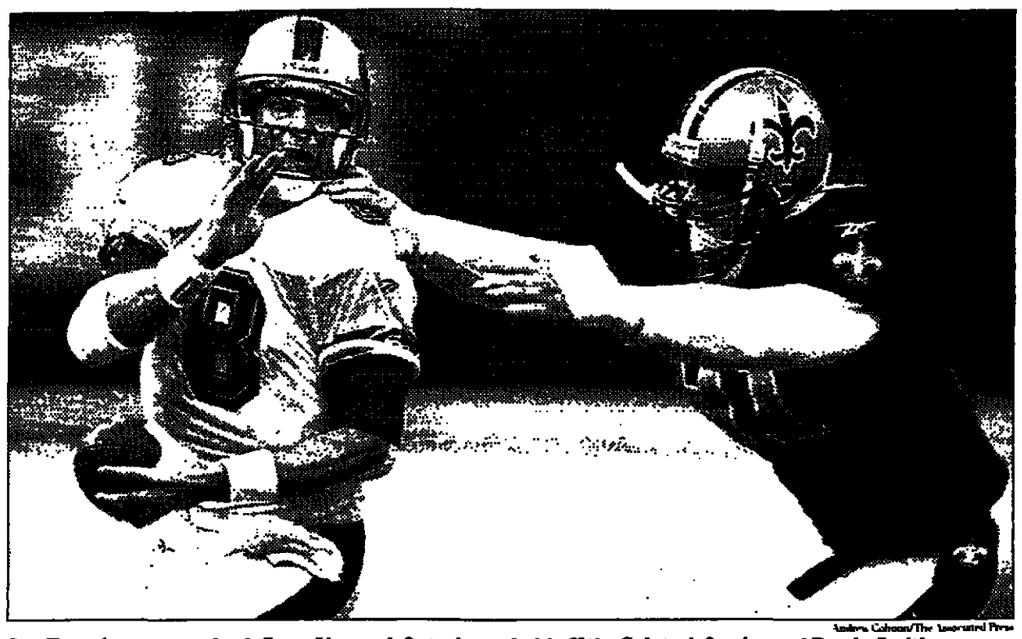
**GOLF** Bill Glasson shot a 6-under 66 Sunday to win the Las Vegas Invitational by one shot less than Billy Mayfair and David Edwards. Tiger Woods, the defending champion, shot a 3-over 75 to finish 15 shots further back. *(AP)*

### Wild Card Trumps Star

**TENNIS** Nicolas Escude, a French wild card entry, upset Alberto Berasategui, 6-4, 6-1, at the Paris Open on Monday.

Todd Martin and Jim Courier also lost in the first round. Bohdan Uhlirach beat Courier, 7-6 (7-5), 6-1. Jan Siemerink topped Martin, 5-6, 7-6 (8-6), 6-2. *(AP)*

Reuters
Jan Siemerink concentrating on a backhand to Todd Martin.



Andrew Cohoon/The Associated Press
San Francisco quarterback Steve Young, left, trying to hold off the Saints defensive end Brady Smith.

# Too Old? Moon Puts on Dazzling Show

## *Seattle Quarterback's 409 Yards Passing and 5 TDs Beat Oakland*

*The Associated Press*

Warren Moon proved that he's not too old to be a starting quarterback in the National Football League.

Moon, in his 20th season of professional football, passed for 409 yards and five touchdowns to lead the Seattle Seahawks to a 45-34 victory Sunday over the Oakland Raiders.

Moon, who will be 41 on Nov. 18, completed 28 of 44 passes, including three touchdown tosses to Joey Galloway. The Seahawks rolled up 554 yards, their second most in history.

"Too much is made of the fact that I'm 40 years old," he said. "I can still read defenses and throw the football. As long as I'm surrounded by good people, I'll be O.K."

**Oilers 41, Cardinals 14** Steve McNair ran for two touchdowns and threw for two more as Tennessee took advantage of Jake Plummer, Arizona's rookie quarterback, who threw four interceptions.

**Panthers 21, Falcons 12** Tshimanga Biakabutuka, the Carolina running back, rushed for 104 yards and two touchdowns as the Panthers beat a rookie quarterback making his first start for the second week in a row. One week after stopping New Orleans and Danny Wuerffel, the Panthers kept Atlanta's Tony Graziani on the run and the seventh-round draft pick from Oregon completed just four of 18 passes for 24 yards.

**NFL ROUNDUP**

**Steelers 23, Jaguars 17** Kordell Stewart completed 25 of 42 passes for 317 yards and two touchdowns, including a 17-yard shovel pass to Jerome Bettis in overtime as Pittsburgh moved into first place in the American Football Conference's Central Division. After Bettis fumbled at the Steelers' 16, Mark Brunell, the Jacksonville quarterback threw a 3-yard go-ahead scoring pass to Pete Mitchell with 8:13 to play, but Pittsburgh's Norm Johnson sent the game into overtime with a 19-yard field goal with 2:21 remaining.

**Broncos 23, Bills 20** Jason Elam kicked a 33-yard field goal with 1:56 left in overtime as the Broncos overcame a 20-point Buffalo rally to defeat the Bills. Terrell Davis ran for 207 yards on 42 carries and scored one touchdown for the Broncos.

**Vikings 10, Bucs 6** Charles Evans scored on a 1-yard run and Eddie Murray kicked a 28-yard field goal as Minnesota won for the fourth time in five games. Murray's field goal snapped a scoreless tie with just over four minutes left in the third quarter, and David Palmer returned a punt 57 yards to set up Evans's TD in the final minute of the period.

**Giants 29, Bengals 27** Tyrone Wheatley and Charles Way, New York's running backs, each scored twice and Jason Sehorn intercepted a 2-point conversion pass with 1:30 to play as the Giants won their fifth straight. The Bengals lost their seventh consecutive game despite a 21-10 halftime lead.

**Chargers 35, Colts 19** Gary Brown rushed 28 times for 169 yards and one touchdown as host San Diego kept Indianapolis winless.

*In games reported in late editions, Monday:*

**Eagles 13, Cowboys 12** Rodney Peete's 8-yard touchdown pass to Chad Lewis with 45 seconds left gave Philadelphia the victory at home. The Eagles knocked out Troy Aikman, who suffered a mild concussion and strained neck early in the first quarter, and Dallas mustered only four field goals.

**Ravens 20, Redskins 17** Bam Morris ran 36 times for 176 yards, both career highs, as Baltimore handed Washington its first defeat at Jack Kent Cooke Stadium.

**Chiefs 28, Rams 20** Pete Stoyanovich kicked four field goals as Kansas City beat error-prone St. Louis in the first regular-season meeting between the teams since the Rams moved from California to Missouri, in 1995.

**49ers 23, Saints 0** In New Orleans, Steve Young threw two touchdown passes and Gary Anderson kicked three field goals as San Francisco won its seventh straight game.

• The Bears-Dolphins game, originally scheduled for Sunday afternoon in Miami, was rescheduled for Monday night to accommodate Game 7 of the World Series.

# Selanne Hat Trick Steals Tie, But Gretzky Steals Spotlight

*The Associated Press*

An impressive night for Teemu Selanne was also a historic night for Wayne Gretzky.

Selanne scored three goals to give the Anaheim Mighty Ducks a 3-3 tie Sunday with the New York Rangers, but Gretzky stole the spotlight at Madison Square Garden with a pair of assists.

Gretzky now has more assists than anyone else in National Hockey League history, and his career total of 1,851 assists gives him one point more than Gordie Howe's assists and goals added together. Gretzky, the NHL's all-time scoring leader, has 866 goals plus his assists for a total of 2,717 points.

Gretzky assisted on a goal by Niklas Sundstrom in the second period, then set up Ulf Samuelsson in the third for his milestone assist and a 3-1 Ranger lead.

But Selanne scored twice in the third period to complete his hat trick and tie the game.

**NHL ROUNDUP**

**Kings 3, Lightning 1** Vladimir Tsyplakov scored a goal and set up Yanic Perreault's game-winner with 10:05 left as visiting Los Angeles spoiled Rick Paterson's debut as Tampa Bay's coach.

Paterson, a Lightning assistant, was named interim coach Sunday after Terry Crisp was dismissed.

**Red Wings 5, Canucks 1** Detroit managed only three shots in the second period in Vancouver but scored on two to take a 4-1 lead.

**Hurricanes 3, Blackhawks 2** In Chicago, Carolina rallied with goals by Geoff Sanderson and Nelson Emerson late in the third period to beat the Blackhawks.

**Coyotes 6, Sabres 1** Jeremy Roenick scored twice, including the 300th goal of his NHL career as Phoenix beat visiting Buffalo.

# *All's Fair (or Farce) On the Prix Circuit*

## Inconsistency Plagues Formula One

By Ian Thomsen
*International Herald Tribune*

ON Wednesday, three days after his Formula One victories in both the constructor's and driver's world championships, Frank Williams will wheel himself into an Italian courtroom to face charges of manslaughter. If his sport weren't so deathly real, you would write the whole thing off as a soap opera.

The charges of manslaughter stemming from the accidental death of the Brazilian driver Ayrton Senna over three years ago at the San Marino Grand Prix have bordered on the ridiculous. A final decision, should appeals become necessary, might not be heard for 10 years.

Williams, paralyzed from an auto accident in his younger days, and two lieutenants from his Williams Formula One racing team, Patrick Head and Adrian Newey, were supposed to have

**VANTAGE POINT**

testified in their own defense earlier this month, but couldn't make it. All the hotels were booked because of an international ceramics trade fair in Bologna.

Senna, the world's most talented, outrageous and glamorous driver, was killed in a Williams car when a welded section of the steering column either did or did not snap as he approached his final turn. The prosecutor is blaming the death on shoddy workmanship as well as an improperly raised track that prevented Senna from braking, hence the manslaughter charges filed concurrently against three race officials.

Williams responds that Senna simply lost control, that he found himself in the worst-case scenario feared by every one of the disciplined madmen who race in Formula One.

The trial is focusing, microscopically, on the technical aspects of the crash. More good might be done if the inconsistency of Formula One could somehow be put under examination. For evidence, replay Michael Schumacher's violent incident Sunday in the year's final race at Jerez, Spain.

Schumacher, 28, who inherited Senna's title as the greatest driver of his generation, was protecting his lead when he jerked his wheel to the right and rammed Jacques Villeneuve, the Williams driver who was trying to overtake Schumacher for the lead in the European Grand Prix and, more importantly, in the overall driver's championship.

Somehow, Villeneuve survived the impact, but Schumacher's Ferrari, which bounced off the track, did not. Villeneuve won the world title and Schumacher did not. Schumacher has disavowed responsibility for the accident.

On Monday he was asked to appear before an extraordinary meeting of the World Motor Sport Council. He is going to hear about this for a long time.

"Michael Schumacher played for high stakes and lost everything — the world championship and his reputation for fair play," the tabloid Bild reported of its German champion. "The accident was clearly Schumi's fault, there is no doubt. He wanted to take out Villeneuve."

More to the point, the Frankfurter Allgemeine Zeitung suggested that the morality of competition was crumbling under the huge business of Formula One, that the "monument has started to crack because the foundations are faulty."

Blame Schumacher. But also appreciate why he is the world's second-highest-paid athlete, behind Michael Jordan.

Just as Jordan is a creation of Nike Inc. and the National Basketball Association, so Schumacher is a creation of the myth of Formula One. His talents have been magnified by the circus of Grand Prix races that travels the world annually. In the case of his apparently premeditated "accident," he should not be isolated from the forces that have made him famous.

Three years ago, a few months after Senna's death, Schumacher rammed Damon Hill, preventing the Williams driver from taking the driver's championship from him. The accident knocked both racers out of the contest and allowed Schumacher to win the world title. In the following year, Hill was criticized for his role in a series of accidents, which seemed to liberate Schumacher from responsibility for their crucial collision.

In 1994, only Schumacher knew in his heart whether his accident with Hill had truly been accidental. Now, in hindsight, it seems he learned that such behavior was entirely acceptable, given the rewards not only to himself but also to the enormous corporations that sponsor Formula One.

For him to crash again Sunday into a motorist who was threatening to strip him of his reputation as well as material rewards, understanding that 40,000 fans were waiting at Ferrari's Maranello headquarters to celebrate their first world championship in 18 years — against such pressures the collision seems less a premeditated act than a flinch.

Formula One ought to be a black-and-white world of virtue. Often it is noble. The drivers show immense bravery and stamina. But it is black and white only in cases of life and death. In recent years, its organizers have contrived when possible to keep the title race close to the end.

Two weeks ago, Villeneuve was disqualified from the Japanese Grand Prix for his failure to yield to a yellow caution flag during practice, a crime committed by other drivers who went unpunished for it. In his absence, Schumacher won the race to take his 1-point lead into Sunday's Grand Prix in Spain. It was remarkably good luck for the Formula One organizers that so much was riding on the final race. Imagine the ratings.

## SCOREBOARD

### BASKETBALL

**NBA PRESEASON**

SUNDAY'S RESULT
Orlando 101, Houston 89

### ICE HOCKEY

**NHL STANDINGS**

EASTERN CONFERENCE
ATLANTIC DIVISION

| | W | L | T | Pts | GF | GA |
|---|---|---|---|---|---|---|
| Philadelphia | 7 | 3 | 1 | 15 | 36 | 26 |
| Washington | 7 | 3 | 1 | 15 | 38 | 27 |
| N.Y. Rangers | 3 | 4 | 5 | 11 | 29 | 31 |
| New Jersey | 5 | 4 | 0 | 10 | 25 | 21 |
| N.Y. Islanders | 3 | 4 | 2 | 8 | 25 | 24 |
| Florida | 3 | 5 | 2 | 8 | 21 | 31 |
| Tampa Bay | 2 | 8 | 2 | 6 | 21 | 38 |

NORTHEAST DIVISION

| | W | L | T | Pts | GF | GA |
|---|---|---|---|---|---|---|
| Pittsburgh | 7 | 4 | 2 | 16 | 36 | 29 |
| Boston | 7 | 4 | 1 | 15 | 35 | 30 |
| Ottawa | 6 | 3 | 3 | 15 | 36 | 29 |
| Montreal | 5 | 3 | 2 | 12 | 27 | 18 |
| Carolina | 3 | 7 | 3 | 9 | 31 | 41 |
| Buffalo | 3 | 6 | 2 | 8 | 26 | 37 |

WESTERN CONFERENCE
CENTRAL DIVISION

| | W | L | T | Pts | GF | GA |
|---|---|---|---|---|---|---|
| Detroit | 9 | 1 | 2 | 20 | 47 | 22 |
| St. Louis | 9 | 2 | 1 | 19 | 43 | 25 |
| Dallas | 7 | 4 | 1 | 15 | 36 | 26 |
| Phoenix | 5 | 3 | 2 | 12 | 34 | 28 |
| Toronto | 3 | 6 | 1 | 7 | 22 | 32 |
| Chicago | 2 | 9 | 0 | 4 | 14 | 33 |

PACIFIC DIVISION

| | W | L | T | Pts | GF | GA |
|---|---|---|---|---|---|---|
| Colorado | 6 | 2 | 4 | 16 | 41 | 31 |
| Anaheim | 4 | 4 | 3 | 11 | 24 | 29 |
| Los Angeles | 4 | 5 | 3 | 11 | 29 | 37 |
| Vancouver | 3 | 6 | 2 | 10 | 26 | 33 |
| Edmonton | 4 | 6 | 1 | 9 | 23 | 36 |
| San Jose | 3 | 7 | 0 | 6 | 26 | 34 |
| Calgary | 1 | 8 | 2 | 4 | 25 | 39 |

SUNDAY'S RESULTS

| | | | | |
|---|---|---|---|---|
| Anaheim | 1 | 0 | 2 | 0—3 |
| N.Y. Rangers | 1 | 1 | 1 | 0—3 |

First Period: A-Selanne 5 (Sacco, Ruccirin) 2. New York, Stevens 4 (LaFontaine, Kovalev) (pp). Second Period: New York, Sundstrom 4 (Leetch, Gretzky) Third Period: New York, Samuelsson 1 (Gretzky, Sundstrom). 5. A-Selanne 6 (Karpa) 6. A-Selanne 7 (Dalla) Overtime: None. Shots on goal: A- 9-3-11-2—24. New York 9-10-7-0—26. Goalies: A-Hebert. New York, Richter.

| | | | | |
|---|---|---|---|---|
| Los Angeles | 1 | 0 | 0 | 2—3 |
| Tampa Bay | 1 | 0 | 0 | 0—1 |

First Period: L.A.-Tsyplakov 2 (Murray, Galley) (pp). 2. T-Ysebaert (Ronberg, Norton) Second Period: None. Third Period: L.A.-Perreault 5 (Mogar, Tsyplakov) 4. L.A.-Robitaille 6, (en). Shots on goal: L.A.- 4-4-13—23. T- 16-11-4—31. Goalies: L.A.-Fiset. T-Puppa.

| | | | | |
|---|---|---|---|---|
| Carolina | 0 | 1 | 2 | —3 |
| Chicago | 1 | 1 | 0 | —2 |

First Period: Chicago-Daze 3 (Moreau, Carney) Second Period: Carolina, Lesch 2 (Roberts) (pp). 3. Chicago-Krivokrasov 3 (Amonte, Johnson) Third Period: Carolina, Sanderson 4 (Burt) 5. Carolina, Emerson 5 (Primeau, Rice) Shots on goal: Carolina 8-10-3—21. C- 9-10-5—24. Goalies: Carolina, Kidd. C-Terreri.

| | | | | |
|---|---|---|---|---|
| Detroit | 2 | 2 | 1 | —5 |
| Vancouver | 1 | 0 | 0 | —1 |

First Period: D-Larionov 2 (Pushor) 2. V-Odjick 1 (Burr, Ohlund) 3. D-Lidstrom 5 (Draper) Second Period: D-Kruble 3 (Dandenault, Brown) 5. D-Glichrist 4 (Draper) Third Period: D-Yzerman 4 (sh). Shots on goal: D- 9-3-9—21. V- 6-7-5—18. Goalies: D-Osgood. V-McLean.

| | | | | |
|---|---|---|---|---|
| Buffalo | 0 | 0 | 1 | —1 |
| Phoenix | 1 | 2 | 3 | —6 |

First Period: Phoenix, Isbister 2 (Running, Stanley) Second Period: Phoenix, Roenick 4 (Running, Drake) (pp). 3. Phoenix, Isbister 3 (Running, Tkachuk) (pp). Third Period: Phoenix, Tkachuk 4 (Drake, Numminen) 5. Phoenix, Gartner 1 (Running) (pp). 6. B-Salon 6 (May, Shannon) 7. Phoenix, Roenick 5 (Stanley) (pp). Shots on goal: B- 9-4-11—24. Phoenix 8-17-5—30. Goalies: B-Hasek. Phoenix, Khabibulin.

### FOOTBALL

**NFL STANDINGS**

AMERICAN CONFERENCE
EAST

| | W | L | T | Pct. | PF | PA |
|---|---|---|---|---|---|---|
| Miami | 5 | 2 | 0 | .714 | 143 | 124 |
| New England | 5 | 2 | 0 | .714 | 195 | 104 |
| N.Y. Jets | 5 | 3 | 0 | .625 | 201 | 156 |
| Buffalo | 4 | 4 | 0 | .500 | 151 | 188 |
| Indianapolis | 0 | 8 | 0 | .000 | 113 | 199 |

CENTRAL

| | | | | | | |
|---|---|---|---|---|---|---|
| Pittsburgh | 6 | 2 | 0 | .750 | 194 | 187 |
| Jacksonville | 5 | 3 | 0 | .625 | 208 | 168 |
| Baltimore | 4 | 4 | 0 | .500 | 194 | 175 |
| Tennessee | 4 | 4 | 0 | .500 | 183 | 161 |
| Cincinnati | 1 | 7 | 0 | .125 | 125 | 219 |

WEST

| | | | | | | |
|---|---|---|---|---|---|---|
| Denver | 7 | 1 | 0 | .875 | 238 | 133 |
| Kansas City | 6 | 2 | 0 | .750 | 181 | 133 |
| Seattle | 5 | 3 | 0 | .625 | 169 | 177 |
| San Diego | 4 | 4 | 0 | .500 | 140 | 176 |
| Oakland | 3 | 5 | 0 | .375 | 213 | 218 |

NATIONAL CONFERENCE
EAST

| | W | L | T | Pct. | PF | PA |
|---|---|---|---|---|---|---|
| N.Y. Giants | 6 | 3 | 0 | .667 | 186 | 180 |
| Dallas | 4 | 4 | 0 | .500 | 178 | 131 |
| Philadelphia | 4 | 4 | 0 | .500 | 137 | 159 |
| Washington | 4 | 4 | 0 | .500 | 142 | 137 |
| Arizona | 1 | 7 | 0 | .125 | 133 | 185 |

CENTRAL

| | | | | | | |
|---|---|---|---|---|---|---|
| Minnesota | 6 | 2 | 0 | .750 | 186 | 167 |
| Green Bay | 5 | 2 | 0 | .714 | 168 | 149 |
| Tampa Bay | 5 | 3 | 0 | .625 | 146 | 134 |
| Detroit | 4 | 4 | 0 | .500 | 180 | 155 |
| Chicago | 0 | 7 | 0 | .000 | 101 | 199 |

WEST

| | | | | | | |
|---|---|---|---|---|---|---|
| San Francisco | 7 | 1 | 0 | .875 | 210 | 98 |
| Carolina | 4 | 4 | 0 | .500 | 128 | 139 |
| St. Louis | 2 | 6 | 0 | .250 | 133 | 187 |
| New Orleans | 2 | 7 | 0 | .222 | 118 | 196 |
| Atlanta | 1 | 7 | 0 | .125 | 145 | 209 |

SUNDAY'S RESULTS
Baltimore 20, Washington 17
New York Giants 29, Cincinnati 27
Philadelphia 13, Dallas 12
Denver 23, Buffalo 20, OT
Kansas City 28, St. Louis 20
San Francisco 23, New Orleans 0
Minnesota 10, Tampa Bay 6
Tennessee 41, Arizona 14
San Diego 35, Indianapolis 19
Pittsburgh 23, Jacksonville 17, OT
Seattle 45, Oakland 34
Carolina 21, Atlanta 12
Open date: Detroit, New York Jets

### THE AP TOP 25

Top Twenty Five teams in Associated Press college football poll, with first-place votes in parentheses, records through Oct. 25, total points based on 25 points for first place vote through one point for 25th place vote and previous ranking:

| | Record | Pts | Pv |
|---|---|---|---|
| 1. Nebraska (35) | 7-0 | 1,704 | 1 |
| 2. Penn St. (25) | 6-0 | 1,665 | 2 |
| 3. Florida St. (8) | 7-0 | 1,629 | 3 |
| 4. Michigan | 7-0 | 1,514 | 5 |
| 5. North Carolina (2) | 7-0 | 1,507 | 4 |
| 6. Florida | 6-1 | 1,400 | 6 |
| 7. Washington | 6-1 | 1,281 | 7 |
| 8. Tennessee | 5-1 | 1,245 | 8 |
| 9. Ohio St. | 7-1 | 1,233 | 9 |
| 10. Washington St. | 7-0 | 1,143 | 10 |
| 11. Auburn | 7-1 | 1,049 | 11 |
| 12. UCLA | 6-2 | 942 | 13 |
| 13. Kansas St. | 6-1 | 894 | 14 |
| 14. Georgia | 6-1 | 789 | 16 |
| 15. Iowa | 5-2 | 727 | 18 |
| 16. LSU | 5-2 | 714 | 17 |
| 17. West Virginia | 6-1 | 579 | 21 |
| 18. Purdue | 6-1 | 522 | 22 |
| 19. Oklahoma St. | 6-1 | 463 | 12 |
| 20. Arizona St. | 5-2 | 444 | 23 |
| 21. Michigan St. | 5-2 | 405 | 15 |
| 22. Toledo | 7-0 | 290 | 24 |
| 23. Virginia Tech | 5-2 | 124 | 19 |
| 24. Southern Miss. | 5-2 | 64 | — |
| 25. Texas A&M | 5-2 | 55 | 20 |

Others receiving votes: Colorado 50, Wisconsin 48, Georgia Tech 47, Rice 42, Ohio U. 32, Brigham Young 26, Syracuse 23, Colorado St. 17, Mississippi St. 17, Missouri 14, Virginia 14, Texas Tech 7, Cincinnati 6, Air Force 5, Miami, Ohio 5, Alabama 4, Clemson 3, Marshall 2, Southern Cal 2, Utah 2, Louisiana Tech 1, Mississippi 1.

### CFL STANDINGS

EASTERN DIVISION

| | W | L | T | Pts. | PF | PA |
|---|---|---|---|---|---|---|
| x-Toronto | 15 | 3 | 0 | 30 | 660 | 327 |
| x-Montreal | 13 | 5 | 0 | 26 | 509 | 532 |
| Winnipeg | 4 | 14 | 0 | 8 | 443 | 548 |
| Hamilton | 2 | 16 | 0 | 4 | 362 | 549 |

WESTERN DIVISION

| | | | | | | |
|---|---|---|---|---|---|---|
| x-Edmonton | 12 | 6 | 0 | 24 | 479 | 400 |
| x-Calgary | 10 | 10 | 0 | 20 | 519 | 443 |
| x-Brit. Columbia | 8 | 10 | 0 | 16 | 429 | 536 |
| x-Saskatchewan | 8 | 10 | 0 | 16 | 413 | 479 |

x-clinched playoff berth

Sunday's Results
Montreal 43, Toronto 38
Calgary 43, B.C. 9
End of regular season.

### CRICKET

**PAKISTAN VS. SOUTH AFRICA**
THIRD TEST, FOURTH DAY
MONDAY IN FAISALABAD, PAKISTAN
South Africa: 239 and 214
Pakistan: 308 and 92
South Africa won test by 53 runs and 3-match series 1-0.

### GOLF

**LAS VEGAS INVITATIONAL**

Final scores Sunday of $1.8 million Las Vegas Invitational, played on 7,294-yard, par-72 Tournament Players Club at Summerlin, single rounds also played on the 7,035-yard, par-72 Desert Inn Golf Club and 6,829-yard, par-72 Las Vegas Country Club course:

| | |
|---|---|
| Bill Glasson, U.S. | 63-65-75-71—66—340 |
| David Edwards, U.S. | 68-66-69-72—66—341 |
| Billy Mayfair, U.S. | 65-63-73-73—67—341 |
| M. Calcavecchia, U.S. | 66-66-72-71—68—343 |
| Duffy Waldorf, U.S. | 65-63-69-75—71—343 |
| Lee Janzen, U.S. | 66-72-71-70—66—345 |
| Kevin Sutherland, U.S. | 69-63-70-73—70—345 |
| Mike Reid, U.S. | 67-67-70-70—71—345 |
| Fred Couples, U.S. | 66-67-69-77—68—347 |
| Brad Faxon, U.S. | 64-66-77-71—69—347 |

**WORLD RANKINGS**
1. Greg Norman, Australia, 11.91 points
2. Tiger Woods, U.S. 10.69
3. Ernie Els, South Africa, 9.55
4. Nick Price, Zimbabwe, 9.32
5. Masashi Ozaki, Japan, 8.77
6. Colin Montgomerie, Britain, 8.74
7. Mark O'Meara, U.S. 8.11
8. Davis Love III, U.S. 8.08
9. Phil Mickelson, U.S. 8.00
10. Tom Lehman, U.S. 7.80
11. Scott Hoch, U.S. 6.96
12. Justin Leonard, U.S. 6.88
13. Nick Faldo, Britain, 6.45
14. Brad Faxon, U.S. 6.37
15. Fred Couples, U.S. 6.35

### SOCCER

**SPANISH FIRST DIVISION**
Tenerife 1, Valladolid 0
Atletico Madrid 0, Espanyol 2

**FRENCH FIRST DIVISION**
Bordeaux 1, Nantes 1

**AFRICAN CUP WINNERS' CUP**
SEMIFINALS, RETURN LEG
Mansoura, Egypt, 4, Etoile Sahel, Tunisia, 2
Etoile Sahel won 5-4 on aggregate
St Louisienne, Reunion, 2, Royal Armed Forces, Morocco, 2
RAF won 5-2 on aggregate

**CAF CUP**
Esperance, Tunisia, 6, Kampala City Council, Uganda, 0
Esperance won 9-1 on aggregate
Petro Atletico, Angola, 4, Jasper United, Nigeria, 1
Petro Atletico won 5-3 on aggregate

**MAJOR LEAGUE SOCCER**
FINAL
Washington D.C. 2, Colorado 1

### TENNIS

**BELL CHALLENGE**
SUNDAY IN QUEBEC, CANADA
FINAL
Brenda Schultz-McCarthy, (1), Netherlands, def. Dominique Van Roost, (4), Belgium, 6-4, 6-7 (4-7), 7-5.

**MEXICAN OPEN**
SUNDAY IN MEXICO CITY
FINAL
Francisca Clavet, (1), Spain, def. Juan Albert Viloca, Spain, 6-4, 7-6, (9-7).

### TRANSITIONS

**BASKETBALL**
NATIONAL BASKETBALL ASSOCIATION
MIAMI—Waived F Mark Sanford and F Patrick Savoy.

**HOCKEY**
NATIONAL HOCKEY LEAGUE
NEW JERSEY—Recalled LW Jay Pandolfo from Albany, AHL.
N.Y. RANGERS—Recalled C Marc Savard from Hartford, AHL.
PHOENIX—Put LW Darrin Shannon on injured reserve.
PITTSBURGH—Loaned D Tuomas Gronman to Syracuse, AHL. Claimed C Robert Lang off waivers from Boston and assigned him to Houston, IHL.
SAN JOSE—Assigned D Andrei Zyuzin and RW Alex Korolyuk to Kentucky, AHL. Recalled LW Steve Guolla and C Jerrod Skalde from Kentucky.
TAMPA BAY—Fired Terry Crisp, coach. Named Rick Patterson interim coach.
WASHINGTON—Recalled Ryan Mulhern from Portland, AHL. Put C Michal Pivonka and RW Jaroslav Svejkovsky on injured reserve.

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SPORTS

# From Wild Card to Wow: Marlins Capture the World Series

## *Renteria's Single in the 11th Spells Doom for the Indians*

By Murray Chass
*New York Times Service*

MIAMI — Just when the Cleveland Indians were poised to end a half-century without a World Series championship, they had victory snatched from their grasp early Monday morning.

The World Series trophy will instead reside in South Florida for the next year. The Marlins, the team that brought major-league baseball to Florida and teal to major-league baseball uniforms, snatched the championship from the Indians with a 3-2 victory in the seventh and final game.

The Marlins built it on a ninth-inning run that Craig Counsell drove in with a sacrifice fly and an unearned 11th-inning run on a two-out, bases-loaded single to center field by Edgar Renteria.

The Marlins staged their winning rally against Charles Nagy, who was supposed to have started the game on Sunday night until Mike Hargrove, the Indians' manager, switched to Jaret Wright, the 21-year-old rookie. Wright responded with a strong 6⅓ innings, but it wasn't enough to get the Indians the World Series rings.

The Indians, who lost the 1995 World Series to the Atlanta Braves, were instead left still in search of their first World Series championship since 1948.

And here were the wild-card Marlins with a championship in only their fifth year of existence and in their first appearance in the World Series. The team was buttressed last winter by the commitment of $95 million to six free-agent players and the manager, Jim Leyland.

"I was a little concerned, like everyone else," Leyland said, when asked about the 2-0 lead Cleveland had early in the game. "But we haven't given up all year, and tonight is not a night you give up. When I walked into the clubhouse tonight, I told everyone we were going to be the world champions."

The Marlins became the first champions who did not finish in first place during the regular season. They did it by scoring in the 11th, one inning later than the last seventh game was decided. In 1991 the Minnesota Twins beat the Braves, 1-0, in 10 innings.

A single by Bobby Bonilla, who had hit a home run in the seventh inning, opened the 11th. One out later, Counsell hit a grounder between first and second that should have resulted in an out, but Tony Fernandez failed to field it and Bonilla race to third. Fernandez had singled home the Indians' two runs against Al Leiter in the third inning.

"I don't want to use any excuses," said the veteran Fernandez, whose 11th-inning, Game 6 home run against the Baltimore Orioles won the American League Championship Series. "It's a play I could have made."

Nagy, who had entered the game in the 10th inning and secured the last out with runners at first and second, walked Jim Eisenreich intentionally, loading the bases, then got a forceout at the plate on Devon White's grounder to Fernandez.

Renteria, the Colombian member of the Marlins' large Latin contingent, was the next batter, and he stroked a soft line drive that rose just above Nagy's reach and continued into center field for the hit that had "Marlins, World Series Champions" stamped on it.

"I felt comfortable in that situation," said the shortstop, who won the Marlins' first playoff game with a two-out, bases-loaded hit, and who delivered game-winning hits six times in the last inning during the regular season.

Afterward, a saddened Hargrove was asked about Nagy. "I thought Charlie had good stuff tonight," Hargrove said. "He made a great pitch to Devon White to jam him and get the ground ball out at home plate. He made a great pitch to Renteria, and he hit it where nobody was standing. Those are the breaks of the game."

With the Indians on the verge of winning their first World Series since 1948, Jose Mesa, their closer, could not deliver it. He came in to start the ninth as the Indians' fifth pitcher, with Cleveland ahead, 2-1, but he created trouble instantly.

Moises Alou, whose three-run home runs against Orel Hershiser powered the Marlins to victories in Games 1 and 5, led off the ninth with a single to center field. Bonilla then battled Mesa fiercely before striking out. Charles Johnson did better as the next batter, lining a single to right field that sent Alou scampering to third.

Counsell then came through with the team's biggest out of the year, hitting a fly ball to right field that enabled Alou to score the tying run. Just like that, the Indians were deprived of the championship that had been within their grasp.

**MARLINS 3, INDIANS 2**

| Cleveland | AB | R | H | BI | BB | SO | Avg. |
|---|---|---|---|---|---|---|---|
| Vizquel ss | 5 | 0 | 1 | 0 | 0 | 2 | .233 |
| TFernández 2b | 5 | 0 | 2 | 2 | 0 | 1 | .471 |
| Ramírez rf | 3 | 0 | 0 | 0 | 2 | 2 | .154 |
| Justice lf | 5 | 0 | 0 | 0 | 0 | 3 | .185 |
| MoWilliams 3b | 2 | 0 | 0 | 0 | 3 | 2 | .385 |
| SAlomon c | 5 | 0 | 1 | 0 | 0 | 0 | .357 |
| Thome 1b | 4 | 1 | 1 | 0 | 1 | 0 | .286 |
| Grissom cf | 4 | 1 | 1 | 0 | 0 | 1 | .360 |
| JrWright p | 2 | 0 | 0 | 0 | 0 | 2 | .000 |
| Assenmacher p | 0 | 0 | 0 | 0 | 0 | 0 | — |
| MJackson p | 0 | 0 | 0 | 0 | 0 | 0 | .000 |
| BrAnderson p | 0 | 0 | 0 | 0 | 0 | 0 | — |
| Giles ph | 1 | 0 | 0 | 0 | 0 | 0 | .500 |
| Mesa p | 0 | 0 | 0 | 0 | 0 | 0 | — |
| Nagy p | 0 | 0 | 0 | 0 | 0 | 0 | — |
| Totals | 36 | 2 | 6 | 2 | 6 | 13 | |

| Florida | AB | R | H | BI | BB | SO | Avg. |
|---|---|---|---|---|---|---|---|
| DWhite cf | 6 | 0 | 0 | 0 | 0 | 2 | .242 |
| Renteria ss | 5 | 0 | 3 | 1 | 1 | 0 | .350 |
| Sheffield rf | 4 | 0 | 1 | 0 | 1 | 2 | .292 |
| Daulton 1b | 3 | 0 | 0 | 0 | 1 | 0 | .389 |
| Conine ph-1b | 1 | 0 | 0 | 0 | 0 | 0 | .231 |
| Nen p | 0 | 0 | 0 | 0 | 0 | 0 | — |
| Cangelosi ph | 1 | 0 | 0 | 0 | 0 | 1 | .333 |
| Powell p | 0 | 0 | 0 | 0 | 0 | 0 | — |
| Alou lf | 5 | 1 | 1 | 1 | 0 | 1 | .321 |
| Bonilla 3b | 5 | 1 | 2 | 1 | 0 | 2 | .207 |
| CJohnson c | 4 | 0 | 1 | 0 | 0 | 2 | .357 |
| Zaun pr-c | 1 | 0 | 0 | 0 | 0 | 0 | .000 |
| Counsell 2b | 3 | 1 | 0 | 1 | 1 | 1 | .182 |
| ALeiter p | 0 | 0 | 0 | 0 | 0 | 0 | — |
| Cook p | 0 | 0 | 0 | 0 | 0 | 0 | — |
| Floyd ph | 0 | 0 | 0 | 0 | 0 | 0 | .000 |
| Abbott ph | 1 | 0 | 0 | 0 | 0 | 0 | .000 |
| Alfonseca p | 0 | 0 | 0 | 0 | 0 | 0 | — |
| FHeredia p | 0 | 0 | 0 | 0 | 0 | 0 | — |
| Eisenreich 1b | 1 | 0 | 0 | 0 | 1 | 0 | .500 |
| Totals | 40 | 3 | 8 | 3 | 4 | 11 | |

| | | | | |
|---|---|---|---|---|
| Cleveland | 002 | 000 | 000 | 00—2 |
| Florida | 000 | 000 | 101 | 01—3 |

1-ran for Johnson in the 9th.
E—TFernandez (2), Ramirez (1). LOB—Cleveland 6, Florida 12. 2B—Renteria (2). HR—Bonilla (1) off JrWright. RBIs—TFernandez 2 (4), Renteria (3), Bonilla (3), Counsell (2). SB—Vizquel 2 (5).
Runners left in scoring position: Cleveland 3; Florida 3.

| Florida | IP | H | RER | BB | SO | NP | ERA |
|---|---|---|---|---|---|---|---|
| JrWright | 6 1/3 | 2 | 1 | 5 | 7 | 108 | 2.92 |
| Assenmacher | 2/3 | 0 | 0 | 0 | 1 | 11 | 0.00 |
| MJackson | 2/3 | 0 | 0 | 0 | 1 | 6 | 1.93 |
| BrAnderson | 1/3 | 0 | 0 | 0 | 0 | 7 | 2.45 |
| Mesa | 1 2/3 | 4 | 1 | 1 | 0 | 2 | 39 | 5.40 |
| Nagy L, 0-1 | 1 | 2 | 1 | 0 | 1 | 0 | 17 | 6.43 |

| Florida | IP | H | RER | BB | SO | NP | ERA |
|---|---|---|---|---|---|---|---|
| ALeiter | 6 | 4 | 2 | 2 | 4 | 7 | 115 | 5.06 |
| Cook | 1 | 0 | 0 | 0 | 0 | 2 | 12 | 0.00 |
| Alfonseca | 1 1/3 | 0 | 0 | 0 | 1 | 1 | 15 | 0.00 |
| FHeredia | 0 | 1 | 0 | 0 | 0 | 0 | 1 | 0.00 |
| Nen | 1 2/3 | 1 | 0 | 0 | 0 | 3 | 24 | 7.71 |
| Powell W, 1-0 | 1 | 0 | 0 | 0 | 1 | 0 | 10 | 7.36 |

T—4:10. A—67,204 (41,855).
Florida won series 4-3.

Pat Sullivan/The Associated Press
**Edgar Renteria driving in the run that gave Florida the Series title in the franchise's fifth year of existence.**

## *Marlins' Manager Discovers Winning*

By Buster Olney
*New York Times Service*

MIAMI — At the moment Craig Counsell leaped across home plate with the winning run, the burden of unfulfilled expectations fell off the shoulders of Jim Leyland. Seemingly fated to excruciating defeat throughout his career, the Florida manager had his championship, and, oh, did he celebrate.

The Marlins' victory affected his expression like a face-lift, the canoe-sized bags under his eyes disappearing, his trademark stalk replaced by a joyful strut. Leyland ran out of the dugout, as other Marlins mobbed Counsell and Edgar Renteria, who had delivered the winning hit. Leyland pointed to his wife with one and then both hands.

Pure joy.

Game 7s had forever been unkind to Leyland. In 1991, when Leyland was managing in Pittsburgh, the Pirates led the Atlanta Braves three games to two in the National League playoffs and returned home for the final two games of the series. But Pittsburgh lost both, and Atlanta went to the World Series.

The following season, the Pirates led, 2-0, in the bottom of the ninth in Game 7 against Atlanta. Three outs removed from the World Series, the Pirates allowed three runs, the last two scoring on Francisco Cabrera's pinch-hit, two-run, two-out single.

But this year, as the Marlins tied the game in the bottom of the ninth and won it in the 11th, Leyland said he never thought about those games. Rather, he said, he was thinking about his family, "my son and mother and father."

After making eye contact with his wife, Leyland moved toward the pile in the middle of the field, his progress interrupted by the hugs of friends and teammates. Bobby Bonilla, towering over Leyland, lifted his manager high off the ground and held him there.

Leyland then ran toward the outfield stands, a victory lap, à la Cal Ripken, à la Wade Boggs on the horse at Yankee Stadium last October. He waved and blew kisses, a 52-year-old imitating somebody 30 years his junior.

The night before, Leyland pondered lineup changes at his home until 3 A.M. He decided to drop Bonilla to sixth from fourth in the lineup and start Darren Daulton at first and bat him cleanup. Anything to shake up an offense that looked stagnant in Game 6.

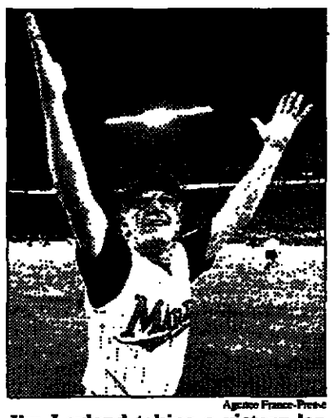
Only Leyland knows if his mind wandered beyond Game 7 to whether he will soon leave the Marlins, as is widely speculated. Before the game, Leyland cut off a question regarding his future. "I wouldn't discuss something like that during the seventh game of the World Series," he said sharply. "I've got my mind on the seventh game."

A year ago, he was euphoric when he jumped from Pittsburgh to the Marlins, but to some who have known Leyland for years, the Florida manager has at times seemed joyless this year.

The Pittsburgh teams he managed were formed and developed over years; the Marlins were thrown together with a spending spree, and Leyland found himself beating the sort of low-budget teams he used to manage. He offered an oblique and telling commentary on the Marlins' rapid ascent from also-ran to the playoffs before Game 7. "I think it's a little weird, to be honest with you," he said.

Still, he was remarkably upbeat before Game 7, telling a friend he was sure the Marlins would win. A lifetime minor league player, he had dedicated his appearance in this Series to all those who spent their careers bouncing around the minors in buses. All those guys, Leyland said, who played in Clinton, Iowa.

Now Leyland and those guys who stopped in Clinton have a title, too.



Agence France-Presse
**Jim Leyland taking a victory lap after his team claimed the Series.**

## *Cuban Rookie Gets the MVP And VIP Visit*

*Compiled by Our Staff From Dispatches*

MIAMI — The door to Suite 251 at Pro Player Stadium swung open, and the Florida Marlins' pitcher Livan Hernandez, a Cuban defector, made eye contact with his mother for the first time in almost two years.

Miriam Carreras screamed wildly at the sight of her 22-year-old son, who was 2-0 in this World Series against Cleveland. The two hugged and talked excitedly for several minutes.

Then Hernandez, who defected to Mexico in 1995 and soon signed a four-year, $4.5 million contract with the Marlins, had to leave for the dugout for the start of Sunday night's decisive seventh game.

Hernandez, who won two World Series games, did not pitch in Game 7 but was named the World Series most valuable player after it finished. He had not seen his mother since he defected in Monterrey, Mexico, in September 1995.

On Saturday, Carreras had obtained permission from the Cuban Immigration Department to leave Cuba. This came a day after she received an emergency visa from the U.S. Interests Section in Havana.

Marlins officials would not allow the news media to interview Carreras, but later issued this statement from her:

"I am very happy to be here with my son and to see this last game. I want to give thanks to the Lord for making this possible."

Her company in Suite 251, which is controlled by the Marlins' president, Don Smiley, included the former New York Yankees' star Joe Dimaggio; Hernandez's agent, Juan Iglesias, and the Florida gubernatorial candidate Jeb Bush. Jorge Arrizurrieta, an aide to Bush, served as Carreras' interpreter.

She she left after three innings, Marlins officials said the early departure was for security reasons.

Carreras traveled three-and-a-half hours by bus and ferry from her home to Havana to listen to a Spanish-language radio broadcast of Game 1 that friends were able to pick up from the United States.

All television broadcasts of the World Series have been blocked by the Cuban government. *(NYT, LAT, WP)*

## D.C. United Takes 2d MSL Title

*New York Times Service*

WASHINGTON — Playing in the rain, just as it had in last year's inaugural championship game of Major League Soccer, D.C. United repeated as champions with a 2-1 triumph over the Colorado Rapids before a sellout crowd at Robert F. Kennedy Stadium.

D.C. United was the best team in the league during the regular season at 21-11, and was the superior team for the vast majority of this game. But United lost its focus in the last 20 minutes and kept missing chances. Luckily, Jaime Moreno and Tony Sanneh had scored goals by then, and all United allowed in the late going was a goal by Adrian Paz that narrowed the margin.

"We were too casual with our chances after the second goal," said Bruce Arena, the United coach.

Colorado was the worst team in the league last season and finished fourth in the Western Conference this season. Its 14-18 record was the worst among the eight of the league's 10 teams that made the playoffs. But the Rapids swept Kansas City and Dallas in the playoffs, and they gave United quite a challenge in the final. United was playing before its fans, though not because it had the best record. Washington had previously been selected as the site of the championship game.

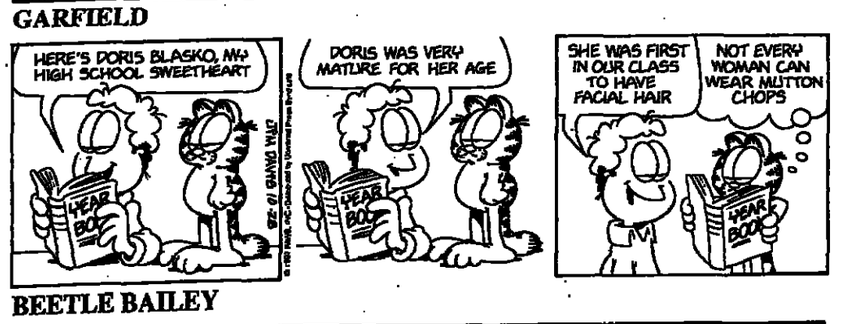
United came out and took control, scoring its first goal in the 37th minute, when Moreno ran onto a cross from Sanneh on the right side and scored from 6 yards. Sanneh got his goal in the 68th minute on a header from close range after a pinpointed cross from the left by John Harkes.

DENNIS THE MENACE

PEANUTS

CALVIN AND HOBBES

GARFIELD

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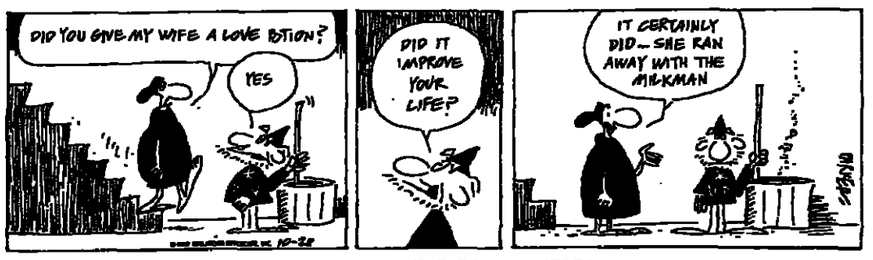


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THE SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

NORDE
BITHA
DWEAMO
NAANAB

THE CENSORED LOONIES
WHAT THE OUTRAGEOUS ROCK GROUP BECAME.

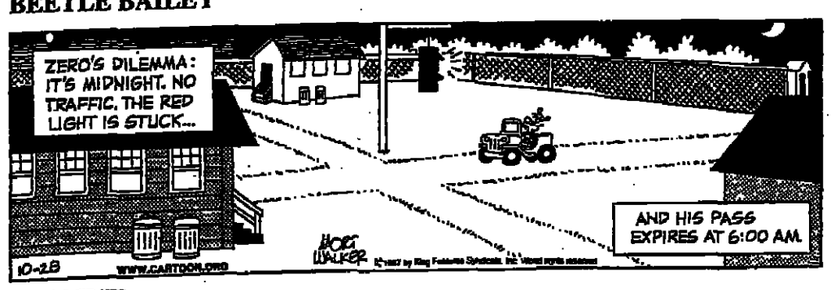
Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer: A

(Answers tomorrow)

Yesterday's Jumbles: SURLY DOGMA LIQUOR BYWORD
Answer: Something a wise guy usually lacks — WISDOM

BEETLE BAILEY

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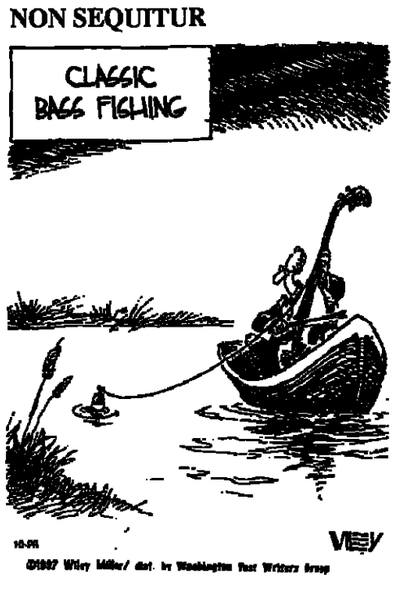


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## ART BUCHWALD

# Starring the President

WASHINGTON — Political videos are not just raw tape — they are produced and directed and edited.

The White House tapes are perfect examples of Oscar-worthy productions. I spoke to Ada Quatro, who was in charge of making the tapes for the Democratic National Committee in the White House.

Buchwald

I told her that if she kept it up she could become another Steven Spielberg.

"I can't take full credit," she said. "I had a good cast, good writers and a subject everyone is interested in."

□

"Did the president give you any trouble when you were filming?"

"No, he was a true professional. Unlike some actors, he took criticism without getting upset. I remember one scene when I told the president that one of the guests had contributed $250,000 to his campaign. I suggested that he go and give the man a hug and not stop smiling until I said cut.

"The president asked me for his line. I said, 'Tell him that he's a great American and you're proud to know him.'

"The president said, 'Suppose he's not an American?'

"Then you say, 'You must play golf with me sometime.'"

□

I asked Ada, "Did you ever have a blooper?"

"Well, one time I was filming a major donor's wife talking and laughing with the president when the donor held up two fingers behind his wife's head and spoiled the scene. As soon as the wife realized what her husband had done, she grabbed the presidential seal and hit him over the head with it."

"That doesn't sound like such a bad scene. Did you use it?"

□

Ada said, "Not yet. The Senate committee has it and they probably will. The president is at his best when he's telling donors what their money will do for the country, and how much the Republicans are raising compared with him. They're very moving scenes and when we show them to audiences, there isn't a dry eye in the house."

"Was it your idea to serve coffee while you were shooting?"

"Yes it was. I didn't want all the fat cats just standing around looking stiff, so I came up with the idea of offering coffee. It worked wonders because with coffee and Danish almost everyone doubled their contributions."

"Do you ever work Hillary into the picture?"

"Every now and then when there's a need to appeal to female audiences. But we never show the first lady serving coffee because that would be demeaning."

□

"Tell me, Ada, what would you say was your greatest video?"

"One time we had an entire tribe of Native Americans come to the White House to present the president with a feathered headdress and a check for $500,000. The president put on the headdress and joined the tribal elders in a dance around the Oval Office."

# Britain's Incorrigible Mr. Bean Goes to America

By David Everitt
*New York Times Service*

NEW YORK — For the first time in his 20-year career, the celebrated British comic Rowan Atkinson has a shot at American stardom. He is underwhelmed. "I'm not very ambitious in the film world," he said, "which is probably indicated by the fact that I've done so little and the only bits I've done have been very small parts."

Atkinson is best known to American audiences for one of those small parts, the befuddled vicar who mangles the solemn marriage vows in the 1994 film "Four Weddings and a Funeral." (He also provided the impeccably fussy voice for Zazu, the hornbill courtier in "The Lion King.") It is as Bean, his signature television character, that Atkinson has finally been placed at the center of a film. The television series "Mr. Bean," which features a contemporary sort of silent-movie clown who blunders through everyday escapades with mime and slapstick, had its premiere in Britain in 1989. It has since attracted fans as far away as Burma, including something of a following in the United States through PBS broadcasts.

The movie "Bean" has already earned $100 million for Polygram Filmed Entertainment in countries ranging from Australia to Brazil. It will open in American theaters on Nov. 7.

Shuffling stoop-shouldered into a meeting room at the Four Seasons Hotel in Manhattan recently, Atkinson certainly did not project the aura of a driven charismatic performer. Nor, sipping tea, did he convey any hint of the outrageous comedic personas that have made him a star in Britain and many other parts of the world. Hardly an offscreen zany like Robin Williams or Jim Carrey, Atkinson, 42, seems downright bookish. His television character Black Adder, lesser known than Bean and highly verbal, skewers everyone in sight with a contemptuous wit, but the man behind this ultimate antihero speaks hesitantly. The nearly mute Bean careers through life on a wave of pure juvenile impulse, but the actor is deferential, somber.

"Quite a nasty piece of work," Atkinson said of Bean. "Not the sort of person you'd want to have dinner with."

On television and on film, Bean utters only occasional words, in a barely intelligible croak. Although he is enough of a bedeviled loser to win sympathy, he is also a thoroughly self-involved creature. He cheats on college exams and runs other people's cars off the road. He even taunts hospital patients encased in body casts.

Only a performer as adept as Atkinson is with facial agility and loose-limbed body language could make the incorrigible Bean a pleasure to watch. And what Atkinson lacks in blind Hollywood ambition, he compensates for with what has been widely recognized as an unusual talent at both physical and verbal humor.

Rowan Atkinson in "Bean," which has already made $100 million around the world.

Talent, though, does not always assure success when comedy is exported across the Atlantic. The British stage comedies of Alan Ayckbourn have not found much of an audience in the United States, and Neil Simon's plays have encountered a lukewarm reception in Britain. Atkinson himself ran aground in America when his 1986 stage revue, "Rowan Atkinson at the Atkinson," enjoyed only a short stay on Broadway.

Atkinson believes that "Bean" has a better chance of bounding across the trans-Atlantic hurdle. The character's nonverbal nature is one factor. "There is always that age-old thing about England and America being divided by a common language," he said. "You think that because we speak English and you speak English that you're bound to understand and like everything that we do. And of course you don't."

Bean's appeal to both children and adults may be another asset. "Mr. Bean's core audience of enthusiasts is probably children because he is a child at heart," Atkinson said. "But at the same time adults find him fairly absurd as well. It's almost a sort of self-congratulation on the part of adults — that they thankfully have grown out of that awful kind of behavior of which Bean is capable, and they think, 'Thank God I'm not like that anymore.'"

His other, intensely verbal comedies are more attuned to British sensibilities, a set of concerns and attitudes that for Atkinson was cultivated by his distinctly English upbringing. As his reserved manner suggests, the comedian comes from a staid middle-class family. He characterized his fellow Atkinsons as "decidedly not" funny.

The greatest fuel for his comedic impulses may have been his tony public-school education. "All the sort of absurdities and hypocrisies and almost Dickensian characters that you come across in that environment, I think, provided great inspiration," he said.

This inspiration is best seen in a sketch from Atkinson's 1986 stage revue in which he plays a headmaster who is meeting with a student's father. The haughty educator blandly announces that the man's son has been beaten to death for taking out a book without a library card. The headmaster is considerably put out by the whole thing. "Quite frankly, Mr. Perkins," he says, "if he wasn't dead, I'd have him expelled."

Atkinson's education culminated with a degree from Oxford University in, of all things, electrical engineering. He also did some theatrical comedy at Oxford, and after college he moved on to stage revues and, eventually, television.

The transition from television to film has been a slow one. Even after his performance in "Four Weddings and a Funeral," Atkinson was not besieged with film offers. At least not for roles he would have wanted. "Hollywood is quite famous for not knowing what to do with people," he said. "So even if you're good, to translate that into a performance in another film is unlikely, because traditionally, as you know, English actors play the butlers or psychopaths."

Polygram decided to back "Bean" because of the character's built-in international appeal. "Our biggest challenge with this movie is to Beanify America," said Russell Schwartz, president of Gramercy, the American subsidiary of Polygram that is releasing the film in the United States. "Bean's an odd character, he doesn't have traditional one-liners that you can cut a trailer out of. He's a little more subtle."

## DINING

# On the Menu: Sublime Sushi, If You Obey the Rules

By Todd S. Purdum
*New York Times Service*

LOS ANGELES — Here on the eastern edge of the Pacific Rim, where power is mystic and nothing is quite so attractive as whatever is just out of reach, a peculiar phenomenon thrives: a restaurant in which even Hollywood's high and mighty must take whatever they are given, including stern lectures from the chef.

It is an unlikely temple, sandwiched in a storefront in a modest mini-mall in Studio City, just down Ventura Boulevard from the sound stages of Universal, Warner Brothers, Disney and NBC. But at Sushi Nozawa, the lines spill into the parking lot full of luxury cars, and the handful of seats at the wood-grain formica bar are almost always taken by people willing to spend upwards of $50 each to be humbled.

The lure is the fish, the freshest from the world's waters: silky skipjack from Hawaii, pungent salmon eggs from Alaska, vanilla-scented blue crab from Chesapeake Bay and buttery king mackerel from Boston, briny oysters from Washington State and lightly cooked monkfish liver as rich as foie gras, along with the finest examples of sushi standbys like ahi, albacore and yellowtail.

Ian Summerhayes/The New York Times
Kazunori Nozawa tells you what to eat and how to eat it.

The conundrum is the chef and owner, a forbidding master named Kazunori Nozawa, who for 10 years has been on a one-man mission to educate Californians in the fine art of Edo-style sushi, a crumbly concoction of warm rice and cold, raw fish first served up by Tokyo street vendors about 300 years ago. If you sit at Nozawa-san's counter, he tells you what to eat, and how to eat it, when to dip it in soy sauce and when not to, and the rules are firm and inviolable: one piece, one bite. The sign behind the counter is succinct: "Today's Special — Trust Me."

"I will never go there again," said Gary Ross, the director and screenwriter who wrote "Big" and "Dave." "They wouldn't give me lemon with my sushi."

He added: "The fish is great. It's the subjugation that leaves something to be desired."

But for Nozawa's high-powered customers, including executives from DreamWorks SKG, Steven Spielberg's fledgling studio, the subjugation appears to be part of the game.

"They want to be dominated by someone that they think is superior," said Jay Weston, the producer of films like "Lady Sings the Blues" who also publishes a restaurant newsletter. "They want to be in."

Ross added: "It's like the way people embrace their trainers. If someone denies them something, they'll go back week after week."

All that is fine with Nozawa, who slaps each wad of rice into his hand with the balletic rhythms of a baseball pitcher on the mound, his lips pursed in severe concentration. Nozawa hews to his own rituals, and he does not welcome customers who don't accept them. He keeps the clock above his counter set a half hour fast, the better to shoo out lingering diners; he refuses to open on weekends; the window blinds are often drawn and a "CLOSED" sign posted well before the scheduled closing time; he rejects latecomers by pronouncing himself out of rice. This is one restaurant where the boilerplate warning "We reserve the right to refuse service to anyone" takes on real teeth.

"He is very bossy sometimes," said Nozawa's soft-spoken wife, Yumiko. "For some people, that is too much pressure. But if you don't like things, you can take a table and order what you want. Just in his mind, he wants to teach customer good fish."

In fact, Nozawa has taught sushi-making around the country, and if diners surrender to his spell; the rewards can be delicious. His students include the proprietor of Sushi Sasabune, a restaurant with branches in Los Angeles and in Honolulu. There are a handful of other sushi restaurants in Los Angeles where the drill is similar, or where diners have the option of putting themselves in the chef's hands. Perhaps the most expensive is Matsuhisa, in Beverly Hills, where the sushi and tempura are exquisite, but dinner for one can easily cost $100.

At such places, popular Americanized items like California rolls and spicy tuna rolls are unavailable. Indeed, the Los Angeles Zagat restaurant guide warns, "Just don't ask for something mundane like a California roll — Nozawa will throw you out!" (Mrs. Nozawa says that not only are California rolls "very boring," but also the top-quality king crab legs needed to make first-rate ones are almost unobtainable.)

Still, the Nozawa experience is not for everyone. Albert Brooks, the actor, writer and director, ventured there a few years ago with his friend Sean Daniel, a producer and former studio executive, aware of the restaurant's reputation for excellent fish and a strict approach.

"We frankly figured, how strict can it be, so we sat down and ordered our sake," Daniel recalled. "All I know is that after one round of the esteemed chef's selection, Albert asked for one of his favorites, which was tuna sashimi, and he was told in a brusque way, to say the least, 'No tuna sashimi.' Since he was staring at the tuna, which was beautifully sliced in sashimi form, we sort of began to approach the 'Five Easy Pieces' theme, in which Albert suggested tuna sushi without the rice.

"It became a real, unbridgeable gap," Daniel concluded. "Albert wanted tuna sashimi, he was not going to be served it, and that meal came to a pretty abrupt end."

As Nozawa wound up a busy lunch hour this week, he paused to reflect on a day that had begun with his scouring wholesale fish markets at dawn and would end sometime after 10 P.M. There was no time for rest, El Niño had driven quality fish to northern waters.

"I am training many people," he sighed. "But quality, quality is hard."

## PEOPLE

A FRENCH court fined the star newscaster **Patrick Poivre d'Arvor** 50,000 francs ($8,400) for assaulting a paparazzo who tried to take pictures of his vacation with a colleague, **Claire Chazal**, on a Greek island. The photographer, **Franck Skorupan**, was also fined for invasion of privacy in the incident on Skyros island in July last year. Skorupan had told the court that Poivre d'Arvor hit him with the photographer's camera and tore up his press card.

□

**Bill Gates** has finally broken down and bought himself a $21 million private jet. For years, the Microsoft chairman was known for flying economy class. Microsoft employees are still restricted from flying first class and can upgrade to business class only on international flights. That is apparently why Gates, who will turn 42 on Tuesday, bought the plane himself, rather than have Microsoft pay for it. "He is flying so much it really does make sense," a spokeswoman said, "but he doesn't think the company should be paying for it." The jet is a Challenger 604, made by Bombardier Inc. of Canada.

□

**Hillary Rodham Clinton** spent a quiet 50th birthday Sunday ensconced at home with her husband, **Bill Clinton**, and her daughter **Chelsea** after a surprise party the night before where she danced until the wee hours. Aides said the first lady was genuinely surprised by the event at the Sheraton Luxury Collection Hotel, which was attended by about 100 friends and Chelsea, for whom it was a first trip home from college. Hillary was later reunited with childhood friends in Chicago as her hometown kicked off a daylong extravaganza Monday. Her visit included a tour of her former neighborhood in suburban Park Ridge and a stop at her childhood home.

□

The rock group **Oasis** will donate all profits from a concert in Paris to an AIDS charity in memory of **Diana, Princess of Wales**, the group's record company said. An estimated 17,000 fans are expected to attend the show Nov. 4.

The Associated Press
**GORY OUTFITS — The U.S. vice president, Al Gore, and his wife Tipper posing in werewolf costumes for the family's traditional Halloween party.**

□

With vineyards in California, France, Italy and Chile, the dynasty of **Robert Mondavi** crosses three continents. Wine also appears on his dinner table every night. "If you think of good wine, you have a good life. Eat and drink in moderation and have a wonderful time," said Mondavi, 84, attributing his longevity to his daily indulgence.

□

**John Updike** says his new novel about a post-apocalyptic America was influenced by the real-life collapse of the communist bloc. In "Toward the End of Time," Updike imagines the country in 2020, devastated by a nuclear war with China. "That something as apparently formidable and unified as the Soviet Union could splinter like that showed it could even happen to the United States," he said in an interview.

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